

Daily Report

China

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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General

NATO To Enforce Bosnia No-Fly Zone

OW0904060893 Beijing VINHU 4 in English 0219 GMT 9 Apr 93

[Text] Brussels. April 8 (XINHUA)—NATO decided today that warplanes from the United States. France and the Netherlands will begin patrolling the skies over Bosnia on Monday [12 April] to enforce a United Nations no-fly zone.

After a meeting of ambassadors from the 16 alliance nations, NATO Secretary-General Manfred Woerner said he had informed U.N. Secretary-General Butrus Butrus-Ghali of the decision in a letter.

Woerner said some fighters had already arrived at the bases in northern Italy waiting for the go-ahead order from the NATO, but he declined to disclose other details.

It will be the first alliance combat mission in NATO's history

For the first stage of the mission, U.S. reportedly will contribute 24 fighters, with other 14 fighters coming from France and another 18 from the Netherlands.

Britain said on Wednesday it would contribute 12 Tornado fighters to the mission, while Turkey and Canada also agreed to provide fighters if needed.

The U.N. decided to ban military flights over Bosnia last October to prevent Serbia from supporting Bosnian Serbs through air. Last week it voted to enforce the ban because of some 500 violations were recorded during the past six months. [sentence as received]

Assailants Kill Japanese UN Member in Cambodia

OW0904055393 Beijing XINHUA in English 0102 GMT 9 Apr 93

[Text] Phnom Penh. April 8 (XINHUA)—An electoral supervisor of the United Nations Transitional Authority in Cambodia (UNTAC) was killed and his interpreter badly injured when unknown men attacked their vehicle Thursday [8 April] morning:

A UNTAC spokesman said that Atsuhito Nakata, an UNTAC official in charge of the upcoming elections in Prasat Sambo District in Kompong Thom Province, died from gunshot wounds:

Attacks on UNTAC personnel are on the increase recently in Cambodia, particularly in Siem Reap, Kompong Thom and Kompong Speu Provinces.

At least six UNTAC members have been killed in Cambodia since March 27.

United States & Canada

Nixon Arrives in Beijing for 6-Day Visit

OW0804124093 Beijing AINHUA in English 1230 GMT 8 Apr 93

[Text] Beijing. April 8 (XINHUA)—Former U.S. President Richard Nixon arrived here this evening on a six-day visit to China at the invitation of the Chinese Government.

Chinese official sources said that Nixon will meet with Chinese leaders and they are expected to exchange views on Sino-U.S. relations and international issues of common concern.

Apart from Beijing. Nixon and his party will also visit Hangzhou. Shanghai. Guangzhou and Shenzhen

The former U.S. president was greeted at the airport by Chinese Vice-Foreign Minister Liu Huaqiu, and U.S. Ambassador to China Stapleton Roy.

Meets Qian Qichen

OW0904070393 Beging MNHCA in English 0620 GMT 9 Apr 93

[Text] Beijing. April 9 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met here today with former President of the United States Richard Nixon, who arrived last night for a six-day visit at invitation of the Chinese Government.

At the 40-minute meeting, Qian and Nixon exchanged views on Sino-U.S. relations and major international issues, according to a Chinese Foreign Ministry official.

Qian extended welcome to Nixon on his seventh visit to China.

Nixon noted that China has made great and impressive economic achievements since he visited the country in 1989. The former U.S. president said he is delighted to set that U.S.-China relations "have become more normal," according to the Chinese source.

After the meeting. Qian hosted a luncheon for Nixon and his party, with Chinese Vice Foreign Minister Liu Huaqiu and U.S. Ambassador to China Stapleton Roy attending.

Oian Oichen Meets U.S. Senator From Illinois

OW0804140893 Beijing XINHU 4 in English 1235 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met here today with a delegation from Illinois State of the United States led by Republican Senator Harry Woodyard.

Qian said that it is beneficial for both China and the U(S) to increase exchanges in the economic cultural and other fields

He stressed that in the endeavour to push forward the Sino-U.S. ties, it is important to have more exchanges by people from various walks of life as well as between different regions in the two countries.

He noted that Illinois, which has broad links with China, occupies an important place in the overall Sino-U.S. relations.

Woodyard said Illinois is willing to further the already strong relations with China, especially in agriculture.

Woodyard and his party arrived in Beijing on Tuesday [6 April]. They are also scheduled to tour northeast China's Liaoning Province, which has a sisterly state-province relationship with Illinois.

Report on President Clinton's Budget Plan

OW0904080293 Beijing XINHUA in English 0731 GMT 9 Apr 93

[Text] Washington, April 8 (XINHUA)—U.S. President Bill Clinton today presented to the Congress the budget plan for the fiscal year of 1994, projecting a spending of 1.52 trillion U.S. dollars.

The deficit, or the shortfall between revenues and spendings by the government, would shrink to 264 billion dollars in fiscal 1994.

The plan is also noted for the deep cuts in defense and the raising of taxes on energy, the wealthy families and the corporations of the country.

Clinton, in his message accompanying the plan, stressed the key elements in his budget plan—economic stimulus to create jobs, long-term public investment to increase productivity and balanced deficit reduction.

The plan, which Clinton claimed would "restore hope in the hearts of the American people," proposed more spending on Head Start program for poor children, construction of highways and high-speed railroads. He also sought a sharp increase in drug education and prevention programs.

Explaining the tax raises at a press conference this morning. Budget Director Leon Panetta said the plan "asks every American to contribute to our economic future."

Observers here noted that the burden would be very heavy on the affluent. The proposed tax on the heat content of various fuels, according to reports, would take 17 dollars every month from families with annual income of 40,000 dollars.

Report on U.S. International Affairs Budget

OW0804232593 Beijing XINHUA in English 2259 GMT 8 Apr 93

[Text] Washington, April 8 (XINHUA)—The U.S. Administration said today its international affairs budget for 1994 reflects a redirection in U.S. foreign

policy to address post-cold-war realities and to integrate more closely with its domestic priorities.

Referring to fiscal 1994 international affairs budget released here this morning, Richard Boucher, spokesman of the State Department, told a regular news briefing that for the first time, the budget "is organized around core foreign policy objectives; building democracy, promoting and maintaining peace, promoting economic growth and sustainable development, addressing global problems, and providing humanitarian assistance."

The budget for international affairs programs totals 21.6 billion dollars in budget authority—that is, the authority to commit funds—and 21.3 billion dollars in outlays—that's actual spending, the spokesman said.

The figures are 450 million dollars more in budget authority and 250 million dollars less in outlays respectively than the fiscal year 1993 levels, he said

But he talked about increasing assistance to Russia by "some 300 million dollars," maintaining the levels of assistance to Egypt and Israel, and maintaining significant amounts of aid to Greece, Turkey and Portugal

Asked whether the increase of aid to Russia is being made at the expense of assistance to Eastern Lurope or other republics of the former Soviet Union. Boucher said he couldn't give any specific country allocations at this point.

Apart from significant increases of aid to the former Soviet Union, the spokesman disclosed that increases are also requested for contributions to international peace-keeping efforts and the multilateral development banks, for population and environmental programs, and a new non-proliferation fund.

There is a reduction of more than 400 million dollars in security assistance, which comes largely from something called the special defense acquisition fund, he added

Editorial Discusses MFN Status, Link to Patten

HK0904050493 Hong Kong WEN WELFO in Chinese 9 Apr 93 p 2

[Editorial: "Washington: Please Think Twice Before Taking Any Action"]

[Text] At a Senate Foreign Relations Committee hearing not long ago. Winston Lord, the nominated assistant secretary for East Asian and Pacific Affairs stated that the United States would "almost" certainly grant the most favored nation [MFN] status to China with conditions. The so-called conditions were none other than China "improving human rights conditions" and narrowing the unfavorable deficit in Sino-U.S. trade, Loid made that speech on behalf of the Clinton administration, although that was not an official policy statement, it has reflected the White House's opinion, furthermore, the Democrat-controlled U.S. Congress shared that

view. This being the rase, the issue of MFN status for China this year is likely to become a means for the United States to add pressure to China. More serious is the fact that some people are secretly attempting to capitalize on this issue by linking Hong Kong Governor Chris Patten's constitutional reform package to China's MFN status, and this trend must rouse our close observation and attention.

It is common sense that the MFN status is an agreement to provide equal trade opportunity on the basis of equality in state sovereignty, and is granted reciprocally; it is not a form of aid, nor is it a favor bestowed. However, a number of U.S. politicians have all along regarded the MFN status between China and the United States as a preferential treatment, which the United States has unilaterally granted China, while believing that the extension of such status every year is an opportunity to intervene in China's domestic affairs; their ignorance and arrogance are likewise universally known. These politicians believe that China must depend on the U.S. market, whereas the United States does not rely on China; in addition, the tremendous changes in Eastern Europe and the former USSR gave them a wrong impression that China will follow in the footsteps of Eastern Europe and the USSR, whereas the United States may add fuel to the flames. Should the short-sighted view of such politicians become U.S. foreign policy and principle for foreign economic relations, for example, extending China's MFN status with additional conditions, it would inevitably seriously affect Sino-U.S. relations; consequently, their bilateral relations would be injured; furthermore, the economies of Hong Kong and Taiwan would be seriously affected, and it would play a negative role in the entire Asia-Pacific region as well as in the pattern of international relations.

From a political angle. China has long made explicit its firm position, namely, that it would never accept additional U.S. conditions characterized by intervening in China's domestic affairs and hurting China's national feelings. In foreign ties. China has all along persisted in principle, while being flexible on some issues not of principle. This being the case. China has succeeded in gradually breaking the Western blockade since the early seventies, established diplomatic relations with the overwhelming majority of the world countries, and maintained friendly relations characterized by peaceful coexistence with all peripheral countries. China is a permanent member of the UN Security Council, and a nation with the largest population in the world, and it has extensive impact on the Third World. China's national strength was not so powerful in the fifties and sixties as today, with greater difficulties in the international environment, but U.S. attempts to contain China with the Korean war and Vietnamese war both ended with defeat; so how can it succeed today?

From an economic angle, Sino-U.S. trade relations are characterized by supplementing each other, being mutually beneficial. China is exporting voluminous consumer goods at low prices to the United States because of actual

demand of the U.S. market; at the same time, the huge Chinese market in vigorous development has also provided U.S. businessmen with numerous opportunities. Although Sino-U.S. trade accounts for a small proportion in U.S. foreign trade volume, it is not dispensable; should the United States insist on extending China's MFN status with conditions, China would most likely adopt corresponding measures. True, the China Mainland and Hong Kong would suffer losses under such circumstances, but the United States is unlikely to rapidly find equally efficient suppliers of consumer goods as China and Hong Kong; it is self-evident that such a scenario would not help the U.S. economy, which has long been in a recession; at the same time, the U.S. agricultural, aircraft, auto, and chemical fertilizer industries, which have huge orders in China, would face a heavy blow, which spells greater trouble to the U.S. economy, when the conversion of its war industry to civil purposes has just begun. Unfortunately, such practice of harming others without benefiting oneself is not a rare occasion in U.S. foreign ties. History will prove that it would be a great mistake should U.S. decisionmakers believe that it would help invigorate the United States and check the development of China and even Asia by forcing additional conditions on China with the MFN status as a means.

Hong Kong Governor Chris Patten has said that he would "lobby" for China in the United States on the one hand, on the other hand, he threatened that China's practice of confusing trade with politics would impede the restoration of China's GATT membership. This colonial governor will make his appearance in the U.S. Congress in the image of a "democratic fighter," but will he fight for U.S. support of his constitutional reform package or lobby for the interests of China and Hong Kong? People may find a answer to that question in a Chinese idiom, namely, "Sima Zhao's ill intent is known to all—the villain's design is obvious."

Central Eurasia

Russian Army Building Delegation Conducts Visit

Meets Logistics Director

OW0804131593 Beijing XINHUA in English 1232 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Fu Quanyou, director of the General Logistics Department of the Chinese People's Liberation Army (PLA), here this evening met with a delegation from the Building and Barracks Department of the Armed Forces of the Russian Federation led by its director N.V. Chekov.

The delegation is here to explore possibilities of cooperation with PLA in the field of the building of army barracks.

Meets Chi Haotian

OW0904090093 Beijing XINHUA in English 0824 GMT 9 Apr 93

[Text] Beijing, April 9 (XINHUA)—Chi Haotian, state councillor and defense minister, here this afternoon met with a delegation from the Building and Barracks Department of the Armed Forces of the Russian Federation led by its director, N.V. Chekov.

Southeast Asia & Pacific

Qian Qichen Meets Former New Zealand Premier

OW0804135793 Beijing XINHUA in English 1240 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met with Wallace Edward Rowling, former prime minister of New Zealand, and his party here this afternoon.

Qian said that the present relations between China and New Zealand are good, and China will continue to develop friendly and cooperative relations with countries in the South Pacific region.

During the meeting, they also exchanged views on issues of economic cooperation in the Asia-Pacific region.

This morning, Liu Shuqing, president of the Chinese People's Institute of Foreign Affairs (CPIFA), met with Rowling and his party and hosted a banquet in their honor.

According to sources, Rowling and party arrived here yesterday as guests of the CPIFA. In addition to Beijing, they are also scheduled to visit Hangzhou, Suzhou and Shanghai.

Troops Conduct Mine-Sweeping Along Vietnam

OW0704143493 Beijing XINHUA Domestic Service in Chinese 0731 GMT 7 Apr 93

[By reporter Li Shiyuan (2621 4258 0337)]

[Text] Kunming, 7 Apr (XINHUA)—Today the Sino-Vietnamese border reverberated with thunderous booms and was filled with smoke from gunpowder. Border troops from our country have begun yet another massive mine-sweeping operation.

A responsible person from a relevant department told this reporter: The current mine-sweeping operation is being conducted in accordance with the directives of the State Council and the Central Military Commission. The operation was begun along a section of the Sino-Vietnamese border totaling more than 1,300 km on which Funing, Malipo, Maguan, Hekou, Jinping, and Luchun are located.

In the dry seaon, many gorges in Yunnan's border defense areas experience temperatures as high as 38

degrees Celsius. Wearing bulletproof mine-sweeping suits that weigh 20 kg, officers and men studiously carried out the operation, using mine-sweeping vehicles, bulldozers, explosives, and intense flames. The operation proceeded smoothly.

Border trade has flourished since China and Vietnam normalized relations. A growing number of people in the border areas of the two countries have traded with each other or have visited family and friends in each other's country. Last April, border troops from our country conducted mine-sweeping operations in several major ports such as Chuantou, Hekou, and Nafa. The current mine-sweeping operation will further facilitate reform, opening up, and economic development in border areas.

It is understood that the Sino-Vietnamese border is planted with various types of land mines totaling several hundred thousand. It will take at least two years to eliminate these mines completely.

Khmer Rouge Refuses To Accept Elections

BK0804130493 Beijing China Radio International in Cambodian 1030 GMT 8 Apr 93

[Text] On 7 April, Mak Ben, spokesman of the Party of Democratic Kampuchea [PDK], said in a news conference that the PDK will not take part in the general election and will also not accept the results of the election. Mak Ben said that large numbers of Vietnamese settlers continue to flow into Cambodia. There are 2.4 million of them now; 1.3 million have been given Cambodian identity cards and also have the right to vote. He further said that insecurity reigns in Cambodia at present.

Mak Ben said that because of this situation, the PDK has refused to take part in the general election and will also not accept the results of the election.

Near East & South Asia

Qian Qichen, Qatari Minister Discuss Gulf Ties

OW0804134493 Beijing XINHUA in English 1315 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen said here today that China attaches great importance to its friendly ties of co-operation with member countries of the Gulf Co-operation Council (GCC), including the state of Oatar.

Qian said this in talks with visiting Qatar Foreign Minister Hamad Bin-Jasim Bin-Jabbur Al Thani at the Diaoyutai State Guesthouse.

China is willing to develop cooperation in various forms with Qatar and other Gulf countries on the basis of equality and mutual benefit and helping supply each other's needs, and join efforts with them to explore ways to expand co-operation areas. Qian said.

According to Chinese officials, Qian said China will stick unswervingly to the reform and opening policies, and that the co-operation between China and Qatar and other Gulf countries has a broad prospect since China is an open market with great potential.

On China's foreign policy. Qian said that China needs a peaceful international environment and is willing to contribute to world peace so as to focus its attention on economic development and the raising of the people's living standards.

Hamad said that all countries in the world need a peaceful international environment and that Qatar is willing to develop friendly-neighbor ties with all the Gulf states. He expressed his appreciation for China's foreign policy of peace.

The two sides also exchanged views on global and regional issues of common interest. Both expressed the hope for further development of bilateral ties of friendly co-operation in economy, politics and other fields.

Pakistan Awards Medals to Two for Contributions

OW0804135593 Beijing XINHUA in English 1249 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Two Chinese were awarded here today "Tamgha-e-Pakistan", or Pakistan medals, for their contributions to the strengthening of Pakistani-Chinese friendship.

Pakistan ambassador to China Khalid Mahmud presented them the medals awarded by Pakistan President Ishaq Khan.

The two Chinese, Zhang Shixuan and Jin You, are respectively an editor of the Urdu section of China pictorial and an employee of the Pakistan Embassy in Beijing.

Zhang Shixuan has worked as an Urdu editor for 26 years since he graduated as an Urdu major from the Foreign Language Department of the Beijing Broadcasting Institute in 1967. He has translated into Chinese many Urdu poems and other literary works.

Jin You has worked as a driver in the Pakistan Embassy in Beijing for 15 years.

East Europe

Official Talks With Polish Party Delegation

OW0804133393 Beijing XINHUA in English 1233 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Liu Shuqing, president of the Chinese People's Institute of Foreign Affairs, held talks with Waldemar Pawlak, chairman of the Polish Peasant Party, here this afternoon.

Pawlak arrived in China April 5.

Zou Jiahua Meets Delegation

OW'0904110693 Beijing XINHUA in English 1050 GMT 9 Apr 93

[Text] Beijing, Apr.l 9 (XINHUA)—Chinese Vice-Premier Zou Jiahua met with Waldemar Pawlak, chairman of the Polish Peasant Party, and his group here this afternoon.

The two sides briefed each other on the domestic situations in their respective countries and exchanged views on issues of common interest.

Liu Shuqing, president of the Chinese People's Institute of Foreign Affairs (CPIFA), was present at the meeting.

Pawlak and his party arrived here on April 5 as guests of the CPIFA.

Ambassador Qi Guofu Meets Czech President

OW0604141893 Beijing XINHUA Domestic Service in Chinese 0219 GMT 24 Mar 93

[Text] Prague. 23 March (XINHUA)—President Havel of the Czech Pepublic said on 23 March that the Czech Republic and China have long-standing and fine historical traditions, and that his country has great interests in expanding friendly and cooperative relations with China. He expressed his hope that these relations will be further developed.

President Havel made the comments when he accepted the credentials of Qi Guofu. Chinese ambassador to the Czech Republic

Ambassador Qi Guofu arrived in Prague on 15 March to take up his post.

Latin America & Caribbean

Oian Oichen Meets Cuban Cultural Delegation

OW0804120193 Beijing XINHUA in English 1140 GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Chinese Vice-Premier and Foreign Minister Qian Qichen met with a Cuban Government cultural delegation led by Armando Hart Davalos, member of the Cuban Council of State and Minister of Culture, here today.

They had an hour-long discussion on cultural exchanges between China and Cuban and on a still greater scale.

Chinese Minister of Culture Liu Zhongde was present on the occasion.

The Cuban visitors have toured Beijing. Xian and Guangzhou since their arrival on April 3.

Li Lanqing Meets Peruvian Minister in Beijing

OW0804132893 Beijing XINHUA in English 125° GMT 8 Apr 93

[Text] Beijing, April 8 (XINHUA)—Li Lanqing, Chinese vice-premier of the State Council, met with the visiting Peruvian Minister of Fisheries Jaime Sobero Taira here today, and they exchanged opinions on bilateral economic and trade relations.

Li said, China and Peru are two developing countries. Although far away from each other geographically, the distance will not bar the development of bilateral economic and trade relations.

He hoped that the visit by the Feruvian minister helps to promote the development of such relations.

Sobero said that he has witnessed good results here although his visit is short in terms of time. The main purpose of his China trip, he said, is to improve and consolidate bilateral cooperative relations in fisheries and to eliminate obstacles in bilateral trade of fish meal.

He hoped that a direct trade relationship, assumed to be beneficial to both, be established in a bid to lower trade costs.

He proposed that a bonded warehouse be set up in one of China's ports to store Peruvian fish meal in order to ensure a stable supply to the convenience of Chinese consumers.

Li agreed with the minister, saying that a direct trade relationship is beneficial to both sides and can in turn increase bilateral trade volume, which is sure to improve bilateral cooperation.

Taking Tianjin, a port city in northern China, and Shanghai, a port city in eastern China, for example Li also noted that there is a possibility of setting up warehouses.

Li especially hoped that both countries can reach agreement on the trade of fish meal and put it into practice as soon as possible.

Sobero told reporters after the meeting that he noticed the great achievements China has made in her socialist modernization drive. He expected that the economic and trade cooperation between China and Peru can step up a new stage soon.

Uruguayan Vice President Tours Guangdong

OW0804153193 Beijing XINHUA in English 1456 GMT 8 Apr 93

[Text] Beijing. April 8 (XINHUA)—Uruguayan Vice-President Gonzalo Aguirre Ramirez said today that the remarkable economic development of Guangdong, the forefront of China's opening drive, is important for the building of a socialism with Chinese characteristics.

The Uruguayan vice-president made the remarks when he met with Guangdong's Deputy Governor Lu Ruihua in Guangzhou, the province's capital, today, according to reports reaching here.

Aguirre, who has been in China for five days, said he was very satisfied with his current visit.

Lu briefed the visitors on Guangdong's economic growth and expressed the hope that the economic and trade ties of the province with Latin American countries would be expanded.

Earlier today, the Uruguayan visitors visited a joint venture producing refrigerators, a farm products bazaar and a department store in downtown Guangzhou.

The vice-president arrived in Guangzhou from Shanghai early this morning. After touring Guangzhou, they left this afternoon for Shenzhen, a special economic zone near Guangzhou.

The visitors are scheduled to wind up their visit

Political & Social

Dissident Journalist Threatens Public Protest

HK0904105093 Hong Kong AFP in English 1000 GMT 9 April 93

[Text] Beijing, April 9 (AFP)—A Chinese dissident journalist active in the 1989 democracy movement threatened Friday [9 April] to take to the streets after a court refused to accept his slander suit against a senior communist party leader. Yin Jin, 35, submitted an application Friday to police in Taiyuan, capital of northern China's Shanxi province, for permission to demonstrate at government buildings to publicize his plight. "I have done everything according to Chinese law to seek redress and now have no other choice," Yin said. "If they don't let me demonstrate, they will only force me to become a political beggar in the global community."

The Shanxi Provincial Higher People's Court earlier this week refused Yin's suit against provincial party secretary Wang Maolin, who is also a member of the elite communist party central committee. Yin accused Wang, 56, of abusing his powers and violating human rights by calling the journalist a "dreg of society" and a "hooligan" for his part in the 1989 political movement.

After the June 4, 1989 suppression of the movement, Yin was held in administrative detention for 13 months and then sent to a forced-labor farm for 18 months without formal indictment or trial, he said. He said he was beaten and temporarily paralyzed during his detention.

The dissident, the former Shanxi bureau chief for the Hainan Economic Daily, said he was left without a livelihood to support his mother, wife and three-year-old daughter because his status as a political prisoner prevented publications from hiring him. "The Chinese government always says the right to subsistence, the right to eat is the foremost human right," he said. "This is all I'm asking for."

Yin wrote several petitions and articles in 1989 calling for press freedom and supporting pro-democracy students. One of his articles exposed Wang's allegedly corrupt lifestyle. Public demonstrations are banned in China without prior police approval.

Villagers' Assembly System Examined, Praised OW0904060993 Beijing XINHUA in English 0355 GMT 9 Apr 93

[Text] Jinan, April 9 (XINHUA)—Li Xiuying is an ordinary villager. She was elected as a village representative in 1989 and she regularly attends meetings of the villager's representative assembly.

She often says: "Whenever our village faces something important, I have the power to vote for or against."

Li, 56, lives in Xiazhuang village in the suburbs of Zhangqiu city in East China's Shandong Province. She's

part of a five-member family and runs a grocery story in the village. So if villagers have anything to complain about concerning village affairs or suggestions to make, they always tell her while shopping in her store. Then she takes what she hears to the villagers' representative assembly.

Some time ago, the village leaders planned to build a new school on a three-hectare plot. But most villagers thought that the existing school was still in good shape and big enough. Furthermore, they said, student numbers were becoming fewer as a result of the family plaining policy. It was not necessary to build a new school.

Li xiuying aired villagers' views at a meeting of the representitive assembly with the result that the village committee, the village's decision-making body, decided to cancel its original plan to build a new school, saving both money and farmland.

According to Zhangqiu City Government officials, the village representative assembly system has been instituted in all of Zhangqiu's 901 villages. Through the assembly, villagers participate directly in deciding, managing and supervising village affairs.

A villagers' representative is elected, usually one from every ten households. The villagers' representative assembly decides major issues concerning villagers' interests, formulates or revises the village rules and regulations, supervises and examines village financial affairs, oversees the use of collectively-owned materials and the allocation of capital goods, and vetoes and revises any administrative decision it considers inappropriate. The villagers' representative assembly meets at least once every three months.

Decision-making by democratic means is the most important function of the villagers' representative assembly. Rules and regulations in Zhaijiazhuang village provide that any expenditure of more than 1,000 yuan (about 170 U.S. dollars) by the village committee is subject to decision by the villagers' representative assembly.

In early 1991, the village committee proposed building a new cinema, with opposition from villagers' representative Su Dianjin and Liu Shanlai. They argued that what villagers needed most was a public bathhouse, not a cinema. The villagers' representatives vetoed the proposal. A bathhouse was built last winter in line with representatives' decision.

The heads of Yuanli village planned to buy a new car with the collective money, but their plan was vetoed by representatives who proposed building a lime kiln instead to yield quick returns on investment.

Preliminary statistics showed that since 1990, villagers' representatives in Zhangqiu's suburbs have discussed a total of 11,914 proposals, vetoed 186 and revised 1,416.

Financial affairs of a village are what villagers are most concerned about. Democratic financial management

groups led by the villagers' representative assembly have been set up in all of Zhangqiu's villages.

The nine members of the democratic financial management group at the Fuxi village examine monthly all receipts of the previous month. They report the results to the villagers' representative assembly. In 1992, the village spent two million yuan (about 340,000 U.S. dollars), with no expenditures violating regulations.

The villagers' representative assemby oversees both the implementation of various regulations and the performance of village administration. Over the past two years, 65 village heads in Zhangqiu were fired for violating village regulations or for mediocre practices.

Special Group To Handle Hijacking Incident

HK0804121493 Hong Kong WEN WEI PO in Chinese 8 Apr 93 p 2

[By staff reporter Chen Chien-ping (7115-1696-1627): "Beijing Sets Up Special Group To Handle Hijacking Incident"]

[Text] Beijing, 7 Apr (WEN WEI PO)—According to an authoritative source here, after the State Council learned yesterday morning that China Southern [Nanfang] Airlines flight BZ811 [flight number as published] had been hijacked, the 6 April Hijacking Incident Leading Working Group, led by Deputy Secretary General Bai Shuming, was formed immediately. A number of groups under the leading work group have separately gone to Shenzhen to investigate the hijacking incident and to prepare the work of receiving the repatriated hijackers.

The source said: Members of the 6 April Hijacking Incident Leading Working Group also include Bai Jingfu, vice minister of public security; Jiang Zhuping, deputy director of the Civil Aviation Administration of China [title as published]; and Tang Shubei, vice chairman of the Association for Relations Across the Taiwan Straits. Beginning yesterday, the working group began to work around the clock to promptly deal with the aftermath of the hijacking incident.

He said: A group has gone to Shenzhen to conscientiously examine all the details concerning the hijacking, including how the armed criminals got aboard the plane. The work of other groups also includes vigorous preparations for repatriating the criminals.

In addition, a senior official of the 6 April Hijacking Incident Leading Working Group said in an interview with this reporter today that the internal policy laid down by the central government with regard to hijacking was: "The safety of the passengers, the flight crew, and the aircraft are considered the primary factors in handling the case. No matter where, when, and in what situation, anything can be done as long as it contributes to the safety concerns mentioned above."

He said: The stipulation was worked out after the 2 October incident. In a nutshell, for the safety of the passengers, the flight crew, and the aircraft, the aircraft can fly wherever the hijackers designate, as long as it has enough fuel. Flight commanders can fully make decisions by themselves in accordance with this stipulation and the real situation without shouldering any responsibility.

Li Tieying Discusses Educational Reform

OW0804131393 Beijing VINHUA Domestic Service in Chinese 1244 GMT 29 Mar 93

[Text] Beijing. 29 Mar (XINHUA)—Li Tieying, state councilor and concurrently minister in charge of the State Education Commission, met with Frank Gibney, a Beijing-based correspondent for the U.S. weekly magazine NEWSWEEK, in the Great Hall of the People at 1400 [0600 GMT] today. He answered the correspondent's questions about challenges facing China's higher education, the role of private schooling in China's educational system, and military training for university students.

In reply to the correspondent's question on the challenges facing China's higher education. Li Tieving said: Since the Third Plenary Session of the 11th CPC Central Committee. China's higher education has developed significantly, making tremendous contributions to modernization. Our country's higher education currently faces challenges from two sources. On the one hand, rapid development in the world economy and science and technology, as well as intense competition for primacy in overall national strength, have created a pressing demand for sweeping reforms in higher education and the accelerated development of such education. On the other hand, our country has set forth a three-step strategy of modernization, and is aiming to realize the second-step strategic objective by the end of this century. It is now moving gradually toward building a socialist market economy and toward deepening reform of the political, scientific, and technological systems. These efforts also demand quicker action to reform and develop higher education, as well as the training of more professionals of better quality to increase the number of more advanced scientific research achievements. To realize these tasks, we must reform the method of state-monopolized higher education and gradually establish a new system of higher education which is commensurate with the socialist market economic, political, and scientific and technological systems. Furthermore, we should increase input in education, strengthen faculty staffs, and improve conditions for running institutions of higher learning.

As regards the ongoing efforts of some universities (the People's University of China, for example) to restructure their curricula, Li Tieying said: The pace of teaching reform has recently quickened in colleges and universities in our country, this is especially true with regard to the restructuring of special liberal arts courses and the

reform of curricular arrangements and contents. The purpose of reform is to better tailor liberal arts education to the requirements of the socialist market economy, as well as to better serve socialist political, economic, and cultural construction. He said: This autumn, the People's University of China plans to enroll students in 14 special new courses which are badly needed by society. Meanwhile, the university will suspend enrollment in 17 special courses this year. With regard to some of the special courses for which enrollment will be suspendedsuch as scientific socialism and the international munist movement-enrollment has always bealternate-year basis. Largely due to declining social demand, admissions for other special cours will be suspended this year. In the future, we will training graduate students in certain special courses such as Marxist tenets, the history of the Chinese Revolution. and other courses which are primarily designed to train theoretical teaching staffs for institutions of higher learning. Of these special courses, pricing courses have been abolished, and courses in national economic planning have been changed to courses in national economic management. None of the other courses—not to mention departments—will be abolished. As far teaching reform goes, we emphasize efforts to restructure and enrich curricular content in light of the distinctive features of various special courses under the guidance of the theory of building socialism with Chinese characteristics. We also emphasize efforts to actively provide guidance to students in analyzing and studying new circumstances. experiences, and tasks arising from reform and opening up. This is not to erode Marxist theory but to forge a closer link between Marxist theoretical education and economic construction, to make such education more relevant to reality, and to render it more contemporary.

As regards the development of privately run schools in recent years. Li Tieving said: Besides government-run schools, mass organizations and citizens have in recent years set up approximately 10,000 assorted schools at all levels in China. These schools have cultivated and trained millions of students each year, serving as an important supplement to government-run schools. Their emergence has changed the system under which schools were run solely by the government. It has also inspired enthusiasm for running schools in all sectors of society. has provided venues at which retired intellectuals and other professionally trained personnel find continued uses for their skills and knowledge, has kept pace with social developments, has satisfied the people's growing cultural and educational needs, and has provided citizens with more learning options.

In response to the correspondent's question on military training in schools, Li Tieying said: Military and political training for university students is part of the teaching program of colleges and universities in our country. Our country's "Military Service Law" contains specific provisions in this regard. More than 300 universities across the country are currently conducting relevant work with the assistance of special state allocations

or through funds raised by themselves. After undergoing military training, university students have shown noticeable signs of improvement in ideological consciousness, physical fitness, military skills, and basic skills in taking care of themselves. This has laid a sound foundation for their healthy growth in the future. Practice shows that this type of experiment is essential and successful; it should be fully affirmed. We will continue relevant work for a long time to come and will not abolish it. Li Tieving said: In the new situation, people have formed new opinions with respect to the year-long military and political training program. This is understandable. The overall primary consideration is to ensure the effective operation of socialist universities and to provide good education to young people and students. With the realities of their universities in mind, leading officials at Beijing and Fudan Universities have reviewed work in this regard. While fully affirming the achievements, they have suggested an appropriate readjustment of the duration and method of military training after concluding that the year-long military training is too lengthy, that military academies cannot accommodate too many university students, and that it is difficult to promote military training in colleges and universities nationwide. After carefully considering the opinions of Beijing and Fudan Universities, the State Education Commission will make some enrollment adjustments this year while allowing the two universities to determine specific methods

Hu Jintao Meets With Gansu NPC Deputies

HK0904081593 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 29 Mar 93

["Special report" by station reporter Guan Qizhi: "It Is Gansu People Who Have Trained Me"]

[Text] Spring is very much in the air in Beijing this March. Yesterday, Hu Jintao, CPC Central Committee Political Bureau Standing Committee member, arrived at Jingxi Hotel, where the Gansu provincial delegation was staying, to see the Gansu-based National People's Congress [NPC] deputies.

At 11:35 in the morning, accompanied by Gu Jinchi, provincial party committee secretary, and Yan Haiwang, provincial governor. Hu Jintao arrived at the hotel's west hall, where the Gansu NPC deputies were waiting for him. The Gansu NPC deputies warmly applauded as Hu Jintao was going among them, shaking hands, and exchanging greetings with them.

Hu Jintao said with a deep feeling: "I have been working for 28 years, 14 of which were spent in Gansu. Therefore, I have a deep feeling for Gansu. It is Gansu people who have trained me." As Hu Jintao was speaking, the Gansu NPC deputies applauded again. They also expressed thanks to and confidence in this young and competent leader.

After a group photo was taken of Hu Jintao and the Gansu NPC deputies to mark the occasion, deputies

from Gannan Zhang Autonomous Prefecture presented an auspicious hada [a traditional Tibetan silk scarf presented to guests] to Hu Jintao.

Hu Jintao asked water conservancy expert Chen Keyan while staring at his silver hair: "Old Chen, how many years ago did we last see each other?"

Chen Keyan replied: "More than 10 years ago. A lot of changes have taken place in Gansu since then."

Hu Jintao immediately said: "Very good, very good, indeed!"

No sooner had the Gansu NPC delegation arrived in Beijing than the Gansu NPC deputies expressed the hope that Hu Jintao, who had once served as the Gansu Provincial Construction Commission vice chairman and Gansu Provincial Communist Youth League Committee secretary, would come to see them. As soon as Gu Jinchi relayed their hope to him, he immediately agreed. As requested by the Gansu comrades, Hu Jintao took a group photo with and signed his name for them.

Time was soon up before they knew it. In the end, Hu Jintao asked the Gansu NPC deputies to relay his thanks and greetings to the Gansu people. He also wished Gansu continued success in socialist modernization building.

Song Jian, NPC Deputies on Organization Reform

OW0804174893 Nanjing XINHUA RIBAO in Chinese 21 Mar 93 p 1

[Special dispatch from Beijing by special correspondent Ma Jian (7456 0256): "Jiangsu Deputies Present Proposals for Organizational Reform"]

[Excerpts] "Organizational reform is the main trend and what people want. If reform in this area cannot catch up, economic development certainly will be affected and obstructed." This was the understanding shared by 10 deputies of the Jiangsu delegation in their final meeting to examine certain special issues.

During the meeting today, Song Jian, state councillor and minister in charge of the State Commission for Science and Technology; and Peng Peiyun, minister in charge of the State Commission of Planned Parenthood, heard the proposals and views expressed by the attendees.

Deputy Meng Jinyuan said: To succeed in organizational reform, we should direct our attention to learning a lesson from experiences in the previous organizational reform and proceed steadily this time. All previous organizational reforms focused on streamlining the size of organs and reducing the number of personnel. That dealt only with the symptoms of the issue. This time we should pay attention to changing the functions of government organizations. If powers are not decontrolled,

the government cannot be simplified. It is understandable why many people are still skeptical with the restructuring and why they have adopted a wait-and-see attitude. [passage omitted]

Deputy Wu Xijun said: One very important issue in reducing the number of government personnel is to properly place those who have been replaced. This is a very practical issue. To a very large extent, whether organizational reform can succeed rests with whether the number of personnel has really been reduced. In the past, the more personnel we reduced, the larger the size our organizations became. By no means should we commit this same mistake again. [passage omitted)

The meeting today was chaired by Deputy Cao Hongming.

Expanded Use of English in Shanghai Papers Seen

OW0804185193 Beijing XINHUA Domestic Service in Chinese 2207 GMT 3 Apr 93

[By reporter Bai Guoliang (4101 0948 5328)]

[Text] Shanghai, 3 Apr (XINHUA)—Many English words will come into view when readers of Shanghai's Chinese-language papers turn the pages. "Chiefs" of these papers are working hard to create a image as a major international city for Shanghai.

JIEFANG RIBAO, organ of the Shanghai Municipal CPC Committee, replaced the Chinese pinyin of its name on the masthead with its English name [beginning 4 March, the Chinese pinyin title "JIEFANG RIBAO" has been replaced by "JIEFANG DAILY" on the masthead]. This is the first time the paper has used English to replace its Chinese pinyin name since its inauguration in 1949. Most of the paper's 30 or so section headings and columns are provided with English translations so foreign readers can easily find out what the page is about. For the first time, JIEFANG RIBAO on 3 March carried a half-page hiring ad in English for the Sino-U.S. joint-venture Gillette Company.

Today, many Shanghai papers carry Chinese-English bilingual ads so readers who do not know Chinese can know what the ad is about at a glance.

WEN HUI BAO, another major Shanghai newspaper, used a common English word in an article title in the "Off-Campus College" column: "Walkman in Vogue on Campus." ["Walkman" given in English] Readers who do not know English will find out after finishing the article that the English word means "microrecorder."

SHANGHAI WENHUA YISHU BAO [SHANGHAI CULTURE AND ART NEWS] carried a news feature on the front page with its mixed-language title printed in red: "Shanghai's Talking Show." ["Talking Show" given in English]. The title refers to the "talk show" programs

on Shanghai's radio and television that are currently enjoying immense popularity.

The "English phenomenon" that has emerged in Shanghai papers and journals is a product of constant expansion of China's opening up; it is also a specific manifestation of the "English craze" that has arisen in Shanghai.

Death of NPC Member Liu Jingxi Reported

OW0904074393 Beijing XINHUA Domestic Service in Chinese 0956 GMT 8 Apr 93

[Beijing XINHUA Domestic Service in Chinese at 1315 GMT on 8 April transmits a service message cancelling the following item]

[Text] Beijing, 8 Apr (XINHUA)—Comrade Liu Jingxi (0491-6975-6007), member of the National People's Congress' Legislative Affairs Commission, died of sickness in Beijing on 13 March 1993. He was 78 years old.

Liu Jingxi was from Henan Province's Qingfeng County. He joined the CPC in 1930. Since the PRC's establishment, he had held posts including secretary of the Beijing Institute of Politics and Law's party committee, and director of the Beijing Municipal Bureau in charge of Institutions of Higher Learning.

Correction to Zou Jiahua Report on Development

OW'0704095793

The following correction pertains to the item headlined "Zou Jiahua on Economic, Social Development," published in the Political & Social section of the 6 April China DAILY REPORT, pages 23-32:

Page 23, first column, partial paragraph at end of column, from end of fourth sentence, make read: ... for the market. Experiments on the shareholding system and stock offering were actively conducted, and fairly large strides were made in price reform. As a result.... (adding passage)

Same paragraph, seventh sentence, make read: ...prices of many capital goods were decontrolled. The.... (changing "production materials" to "capital goods")

Page 24, second column, partial paragraph at top of column, third sentence of partial paragraph, make read: ...residents stood at 1,154.5 billion yuan at.... (changing figure)

Page 26, second column, last partial paragraph at bottom of column, from end, make read: ...of electricity by 11.45 million kw. We will.... (adding word "million")

Page 28. first column, first full paragraph of column, last sentence, make read: ...and accelerate the optimum organization of essential factors of production. [new paragraph]

We will continue.... (rewording)

Same page, second column, partial paragraph at top of column, penultimate sentence of partial paragraph, make read: ...scientific research through the development of an efficient data base, information engineering, ecosystem engineering, and the building of a number of major state laboratories. 4) Science and technology.... (rewording)

Page 29, first column, partial paragraph at bottom of paragraph, fourth sentence, make read: ...projects are guaranteed, international commercial loans borrowed by.... (adding words "international commercial")

Same page, second column, second full paragraph of column, first sentence, make read: ...cultural relics, broadcasting, television, and literature and.... (changing "movies" to "television")

Page 30, first column, second full paragraph of column, third sentence, make read ...method of preserving and increasing the value of ... (adding words "and increasing")

Page 31, first column, partial paragraph at bottom of column, from fourth sentence, make read: ...appropriate proportion of major sectors of the economy. In this way, we can create a good social and economic environment for the normal operation of the market.... (changing "various" to "major", changing "development" to "operation")

Same page, second column, only full paragraph of column, second sentence, make read: ...50 percent of the targets set in the mandatory plans under its control.... (adding words)

Same paragraph, third sentence, make read: ...retracted for important means of production and consumer goods.... (changing "production materials" to "means of production")

Same paragraph, fourth sentence, make read: ...further reduced for important means of production such as crude oil, coal.... (adding words)

Same paragraph, sentence nine, make read: ...the state's future industrial policies that will.... (changing "production" to "industrial")

Page 32, first column, first paragraph, second sentence, make read: ...of restructuring the dual-budget system so the.... (rewording)

Same page, same column, partial paragraph at bottom of column, fourth sentence, make read: ...and increased to 8-9 percent from the.... (changing "9 percent" to "8-9 percent")

Same page, second column, partial paragraph at top of column, fourth sentence of partial paragraph, make read: ...efforts to conserve resources, raising the annual.... (changing "energy" to "resources":

Science & Technology

Efforts To Bring Technology to Minorities

OW0904060693 Beijing XINHUA in English 0109 GMT 9 Apr 93

[Text] Yinchuan, April 9 (XINHUA)—Some six million people from areas inhabited by ethnic minority nationalities have received technological training in the past three years.

They are from the country's five autonomous regions, 30 prefectures and 124 autonomous counties, where 70,000 farmers of minority nationalities became technicians during the period.

The areas inhabited by minority nationalities, generally remote from the coasts, are economically and culturally lagging behind other regions.

To tackle the problem, a program featuring application of scientific and technological achievements and popularizing of scientific knowledge has been implemented in the areas.

So far more than 95 percent of the counties and over 85 percent of the townships in minority areas have opened agencies to popularize scientific and technological knowledge.

They have set up more than 20,000 specialized technological associations.

Scientific and technological newspapers, magazines, and radio and television programs have also been opened in languages of minority nationalities.

Meanwhile, specialists are invited to give lectures in minority areas.

Some 1,000 specialists in northwest China's Ningxia Hui Autonomous Region, for example, have given over 1,500 lectures in local hui townships and villages and promoted the application of 118 agricultural tech projects.

Scientific and technological programs have also been staged at traditional festivals of the minority nationalities

Economic & Agricultural

Commentator on Enterprise Regulations

HK0904032093 Betjing RENMIN RIBAO in Chinese 4 Apr 93 p 1

[Commentator's article: "Implement the 'Regulations' to the Letter"]

[Text] The most important link of deepening the economic structural reform this year is to implement the "Regulations on Transforming the Operation Mechanism of Industrial Enterprises Owned by the Whole People," push the enterprises into the market, strengthen

their vigor, and enhance their quality. The regulations have been promulgated and have been in force for more than eight months. They have indeed played a great role in improving the state-owned enterprises and quickening the process of establishing the socialist market economy. However, because the level of understanding and the degree of attaching importance to the matter vary, there remain substantial variations in the implementation of the "Regulations" from one locality to another, and from one enterprise to another

Some government departments still lack a correct understanding of the great significance of the "Regulations," fail to adopt effective measures and act quickly, and even wittingly or unwittingly do something in violation of the "Regulation." For example, some government departments turned themselves into "companies" by changing the signboard and thus continued to retain the power of administration in disguised form, or brought the administrative power into the business "sea", some government departments arbitrarily forced enterprises to join their "groups" and dampened the enterprises' enthusiasm; some government departments withheld under various pretexts the management powers that should be delegated to enterprises. All such behavior went against the spirit of the "Regulations" Such phenomena were partly caused by the disorderly and irregular factors of both the market and administrative mechanisms functioning amid the growth of the new structure; but more importantly, this was because some comrades did not conscientiously study and understand the essential content and great significance of the "Regulations." They were accustomed to the traditional management concept, management method, and management mode, and were used to directly interfering in the routine operation and management of the enterprises. They did not want to change this habit, moreover, they improperly cared about their partial interests, departmental interests, and even individual interests. Thus, they set obstacles to the transformation of the enterprise operation mechanism. In addition, some enterprise leaders did not thoroughly understand the "Regulations" and just complained that the "Regulations" did not solve the problem and did not ensure the management power they should have. They relaxed their own effort and failed to properly and fully use the management power that had been passed to their hands.

To implement the "Regulations" to the letter, we first need to seriously study and correctly understand the "Regulations." The "Regulations" were formulated and promulgated by the State Council under the guidance of the spirit of Comrade Deng Xiaoping's important talks when inspecting the south and the spirit of the plenary meeting of the party Central Committee Political Bureau, through the efforts of various departments and localities in a number of months, and on the basis of widely soliciting opinions and repeated discussions. The "Regulations" sum up the previous successful experience in enterprise reform, have a strong feasibility, and represent a powerful weapon for properly transforming

the operation mechanism of state-owned enterprises. The promulgation and implementation of the "Regulations" represent a major step in deepening the enterprise reform, and constitute a major component part of our efforts to establish the socialist market economy. At present, the implementation of the "Regulations" is at an important stage. Our action in this regard must not be retarded or relaxed because we cannot accurately understand the document, and the opportunity must not be missed.

The implementation of the "Regulations" required that government departments and enterprises have a strong sense of responsibility and urgency. At present, all 30 provinces, municipalities, and autonomous regions have formulated their own rules on implementing the "Regulations." Some provinces and municipalities, by proceeding from their local conditions, have creatively formulated many feasible measures. Such a positive attitude is commendable. It is hoped that a small number of departments that have not taken action rapidly, especially some comprehensive departments, will learn from these localities and quickly formulate and promulgate their own rules and backup measures for implementing the "Regulations." Enterprise leaders should further overcome the passive wait-and-see attitude and the feelings of fearing difficulties. They should use the "Regulations" as a weapon to strive for and safeguard their own rights specified by the "Enterprise Law" and the "Regulations," and do their utmost to create a more favorable internal and external environment for promoting the transformation of the operation mechanism.

'Strong' Force of Private Enterprises Viewed

HK0904025793 Beijing CHINA DAILY in English 9 Apr 93 p 2

[By staff reporter Yin Xin: "Private Sector Plays Vital Role"]

[Text] China's private enterprises have become a strong force pulling the Chinese economy into marketorientation.

Local economists predicted that by the year 2000, the number of private enterprises will top 30 million, with 150 million people on their payrolls.

Output value of private enterprises will then have reached 600 billion yuan (\$105 billion), accounting for 20 percent of the national total.

The private sector's growth has not only enlarged State tax revenues but also helped stimulate State-run industries to change their planning systems and participate in market competition, the economists said.

The private sector has been growing by leaps and bounds since China introduced the policy of reform and opening to the outside world at the end of the 1970's. Its output

has been advancing at an average annual rate of 18 percent and its employment by 11 percent, government statistics indicate.

The total business turnover of the private sector in repairs, non-staple food processing, vegetables and fruits makes up more than 50 percent of the national total for those goods and services.

Distribution

Development of the private sector has helped promote the rational distribution of resources and other production factors to increase State wealth.

According to an official from the State's Administration of Taxation, the estimated 15.3 million private businesses in the country turned over more than 20.3 billion yuan (about \$3.5 billion) to the State in taxes in 1992, 16.9 percent more than in the previous year.

Tax payments from the private sector have increased by an annual 15 percent for three consecutive years. Total taxes from the private sector from 1981 to 1992 amounted to 95 billion yuan (about \$16.7 billion).

That rapid growth in the private sector has helped diversify employment opportunities for the large number of young people who join the workforce each year.

Statistics show that since 1982, more than 10 percent of job seekers have gone to work in the private sector annually, and that rural surplus labour now accounts for 40 percent of the country's total private business people.

The private sector also operates three-quarters of China's services.

The numbers of individual enterprises engaged in industry, transport and commerce amounts to 1,847,000, 1,450,000, and 8,458,000, respectively, accounting for 12 percent, 9.5 percent and 55.1 percent of national totals.

Growth of the private economy has stimulated competition in the market and forced State-owned enterprises to change their ways of operation.

The momentum of development of the private sector is still going strong and diversifying, with an increasingly large investment.

More and more private enterprises are forming groups, not only in the coastal areas but also in the inland provinces and autonomous regions, to strengthen their market positions.

Share-holding companies are mushrooming, and foreign investors are seeking private enterprises as business partners.

Local authorities and non-governmental organizations are also improving their services to the private businesses.

Power Generating Units Enter World Market

OW0904060793 Beijing XINHUA in English 0119 GMT 9 Apr 93

[Text] Harbin, April 9 (XINHUA)—China's generating units have entered the world market, according to authoritative sources here.

China has already contracted to supply eight large power plants to Pakistan, Bangladesh and other countries; four 210,000-kw generating units have already been put into operation.

In the past, Chinese-made equipment for smaller power plants had been exported to a dozen countries in Asia, Africa, America and Europe.

Qi Jinliang, deputy general manager of the Harbin Power Plant Equipment Conglomerate, said that China's export of large generating units began in 1983, when his company and another one defeated seven foreign competitors to win a Pakistan power plant contract.

Since then, Qi's company has contracted to build another two power plants in Pakistan and has become the largest generating equipment exporter in China.

Sources here believe that exports of China's power plant equipment will enjoy a bright future, especially in developing countries, because Chinese manufacturers are becoming known for their lower prices, reliable performance and good service.

At present, the Philippines, Indonesia, Malaysia and Vietnam have shown interest in China's plant equipment. Some foreign companies have also expressed their willingness to cooperate with Chinese power plant equipment producers.

East Region

Jiangsu Province Inaugurates Aviation Company

OW0804141293 Beijing XINHUA in English 1320 GMT 8 Apr 93

[Text] Nanjing, April 8 (XINHUA)—A plane left Nanjing, capital city of east China's Jiangsu Province, for Hong Kong today, marking the founding of the China Eastern Aviation Jiangsu Company Ltd.

It also indicates that the province has its own air fleet.

The company has three Fokker-100 aircrafts with a total of 324 seats. In addition to domestic freight and passenger transport, they will deal with transport and chartered business to Hong Kong, Japan and Southeast Asian countries.

Jiangsu Province, located in the Yangtze River delta, is one of the country's economically developed provinces.

Company officials say the air fleet will help improve the province's investment environment and facilitate its export-oriented economy.

The officials add that the company will buy new air planes from abroad to expand its fleet.

Post-Flood Jiangsu Area Sees 'Rapid Recovery'

HK0904031093 Hong Kong SOUTH CHINA MORNING POST in English 9 Apr 93 p 8

[By Daniel Kwan in Huaiyin, Jiangsu Province]

[Text] The Lixia area in the northeast of China's Jiangsu Province, which was almost devastated by floods two years ago, has fully recovered from the diaster and is looking ahead to build one of the most vibrant economies in the country.

Officials admitted they might have over-estimated the seriousness of the floods, but were confident that they now have the capabilities to handle floods of similar magnitude.

Ms Chen Yun who supervised the reconstruction of flood control facilities in the area, said officials were too "frightened" at the time because they had never seen floods of such magnitude.

A water conservancy expert, Ms Chen said all cadres who were responsible for the combat of the 1991 flood were uncertain if their facilities would be able to withstand the deluge.

Mr Chen Wenhe, director of the Jiangdu Water Conservancy Engineering Management Office, said 12 million people in 10 counties and cities could have been drowned and 4.4 million hectares of farmland inundated if any of the major facilities failed.

"I had my fingers crossed when the water thundered down from the Hongze Lake and passed through our waterways to be discharged into the Yellow Sea and the downstream of Yangtze River," Ms Chen said.

"We were both psychologically and physically overloaded.

"My eyes could not close even for just a few minutes for many nights during the peak of the 1991 floods."

But damage was largely contained in three main counties situated next to Hongze Lake—Xuyi, Huaian and Huaiyin—and almost all public facilities in these areas have been restored.

According to Ms Chen, foreign donations including those from Hong Kong were sent to the Xuyi area at the southwest of Hongze Lake, which was submerged, and local aid was mainly used in rebuilding Huaiyin.

In fact, reconstruction of the Xuyi area was so thorough that Ms Chen said it had become the "most beautiful village" in Lixia.

"All the houses there were built (using donations) by the United Nations and Hong Kong," she said.

"The Xuyi area actually benefitted most (from the aid). Everybody supported them."

Other Jiangsu officials said they were surprised by the rapid recovery and instead of a decline of grain output, the province reported bumper harvests in 1991 and last year.

Rural economy expanded by a low but healthy three percent in 1991 and soared to double-digits last year.

In order to prevent a similar tragedy, Ms Chen said more than 180 million yuan (HK\$242.46 million [Hong Kong dollars]) had been earmarked in the 1992-93 period to tame the Huai River, which was the main cause of the 1991 flood.

The money came from government levies on individuals and enterprises as well as special allocations from the central government and will be spent on dyke reinforcement and building new regulating gates and spillways.

In addition, the World Bank has agreed to provide a 140 million yuan loan to Huaiyin to divert the water to north China for irrigation purposes.

"With the completion of all these new facilities, we are fully confident that we would be able to handle any flood," Ms Chen said.

Shanghai Upgrades Downtown Commercial Center

OW0804092693 Beijing XINHUA in English 0816 GMT 8 Apr 93

[Text] Shanghai, April 8 (XINHUA)—Shanghai, China's largest manufacturing and commercial city, has begun to modernize its downtown commercial center in Nanjing and Huaihai roads.

A municipal government official said that contracts have just been signed for construction of the first ten buildings in the western section of the Nanjing Road.

In the next five years, he said, 15 billion yuan (about 2.6 billion U.S. dollars) will be spent on constructing 16 commercial, banking and recreational buildings in a 1.8 square kilometer area. Meanwhile, 1.5 billion U.S. dollars in foreign funds will be introduced to complete a total floor space of 1.5 million square meters.

It is Shanghai's biggest investment in the commercial sector and is on top of last year's spending of 3.2 billion yuan (about 560 million U.S. dollars).

The official said that the Huaihai Road will become an "international commercial street." Work will start later this year on 24 new buildings with a total floor space of 600,000 square meters. Eight will tower at least 30 stories.

All new commercial buildings will have central heating, computerized management and security monitoring systems.

Zhu Rongji Greets Shanghai Library Project

OW0804013493 Shanghai People's Radio Network in Mandarin 2300 GMT 25 Mar 93

[From the "Morning News" program]

[Excerpt] The construction of a new building for the Shanghai Library formally started yesterday afternoon by laying a foundation for the building.

Zhu Rongji, member of the CPC Central Committee Political Bureau Standing Committee and vice premier of the State Council, sent a special message to congratulate the start of the project's construction. [passage omitted]

Central-South Region

Port District Chairman on Development in Guangxi

HK0904081693 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 29 Mar 93

[Interview with Mao Xuhui, Guangxi National People's Congress (NPC) deputy and Fangcheng Port District Management Committee chairman, by station reporter Xie Xiangdong; place and date not given]

[Text] Mao Xuhui, National People's Congress [NPC] deputy and Fangcheng Port District Management Committee chairman, was interviewed by this reporter recently.

Speaking of the port district construction, Ma Xuhui said: As a forward position of opening up to the outside world, the coastal Fangcheng Port District should develop an export-oriented economy, become more capable of international competition, and play a radiating role in promoting economic growth of neighboring areas.

Mao Xuhui stated: In order to develop an exportoriented economy, we should first and foremost try to step up infrastructural facilities building, create a favorable investment environment and conditions, and make unreserved efforts to invite foreign businessmen and entrepreneurs to come to invest or build enterprises. To this end, we should build a sufficient number of highways and railroads as well as efficient information channels. We should also guarantee water and electricity supplies and build a sufficient number of hotels and guest houses within the district. So far, we have made painstaking efforts to build highways, install programcontrolled telephones, construct water works, and build a batch of multistar-class hotels and other indispensable commercial establishments. We have raised funds for building five 10,000-tonnage berths. We are also trying to obtain assistance from the state so that we will be able to build one or two 30,000-tonnage wharves. We are also planning to build a 600-mu development zone comprising standard factory buildings and industrial enterprises in cooperation with friends in various hinterland provinces and municipalities.

The second step we should take in order to develop an export-oriented economy is that we should make as many friends as possible, dare to share gains with others, and be bold in developing an export-oriented economy in cooperation with foreign businessmen and entrepreneurs. We have put an end to a closed state and other relevant practices, opened the door wider, and welcomed all provinces and municipalities to come to Fangcheng to build wharves and carry out border trade activities. We have allowed others to use our wharves without discrimination and shared our preferential policies with others. We have also succeeded in pushing ahead with local economic development by making use of advanced foreign management experience, advanced foreign equipment, and foreign funds and qualified personnel. Practice has shown that we have achieved marked efficiency in developing an export-oriented economy by using foreign funds. Last year witnessed an exploitation craze in the whole port district with entrepreneurs and businessmen from more than 20 hinterland provinces and municipalities as well as friends from foreign countries coming to Fangcheng Port to take part in local exploitation, do business, build enterprises, develop real estate, and build wharves. As a result, we made use of foreign funds totalling \$60 million and built more than 20 export-oriented enterprises. Now the more popular Fangcheng Port has become a modern port city on a preliminary scale.

Speaking of what should be done to bring about a faster development of Fangcheng Port in future, Mao Xuhui noted: By 2000, we will have built 13 wharves, of which nine can handle 30,000 tonnes, and raised port cargo handling capacity from 4 million tons this year to 16-20 million tons to meet the southwest's export-oriented cargo transportation demand. Moreover, we will also have enlarged the port city area by 100 percent, raised all major economic indices by a large margin, built a port-related processing industry with local characteristics, and turned Fangcheng Port into a new and beautiful city.

Radio Group, Hainan Cosponsor Quiz on Reform

HK0904025593 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 29 Mar 93

[Text] Cui Yuling, China Radio International [CRI] director, announced at a news briefing yesterday: To promote understanding of and enhance knowledge about China's reform and opening up among people of all countries in the world and push China's economy into the world, the Hainan provincial people's government and CRI will cosponsor a Hainan Cup Quiz on China's reform and opening up among overseas audience from April to October 1993.

It was learned that CRI is China's only state-run radio station which broadcasts to the whole world in 43 languages. The total number of accumulated daily broadcast hours of CRI stands at 165. CRI will broadcast the Hainan Cup Quiz on China's reform and opening up in 43 languages to the whole world. The program will introduce to the whole world China's reform and opening up achievements, especially Hainan's achievements in this respect over the past few years. The overseas audience will be invited to answer 10 questions on China's reform and opening up after listening to the program. All answer sheets should be returned no later than 1 October 1993. The quiz sponsors will grant six special prizes, 60 first prizes, 300 second prizes, and 1,000 third prizes to winners. The special prize recipients will be invited free of charge to attend a awards ceremony to be held in Beijing in mid-October and to go on a sightseeing tour in Hainan.

Yesterday's news briefing was attended by Liu Xiliang, vice minister of radio, film, and television; Wu Kuiguang, provincial people's congress standing committee vice chairman; Lin Fengsheng, provincial party committee propaganda department deputy director; Cui Yuling, CRI director; as well as reporters from a total of

more than 40 domestic news units, including RENMIN RIBAO, XINHUA News Agency, China Central Television, and so on.

Li Changchun Addresses Henan Forum on Affluence

HK0904062793 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 1 Apr 93

[Excerpts] Li Changchun, provincial party committee secretary, told all prefectural and city party committee secretaries the other day: An overriding task for party committees at all levels at the moment is to bring prosperity to broad masses of people as quickly as possible.

Li Changchun stated: Successful economic construction is the foundation of successful work in other fields. The contradictions plaguing our work at the moment have, in the final analysis, resulted from economic backwardness. Therefore, party committees and governments at all levels should give top priority to the work of bringing prosperity to broad masses of people as quickly as possible and should have at once a sense of historical responsibility and a sense of epochal urgency.

Li Changchun made the aforementioned remarks at a three-day provincial forum on building comparatively affluent villages. [passage omitted]

On 29, 30 March, provincial party and government leaders, such as Li Changchun, Ren Keli, Liu Guangxiang, Yu Youxian, Lu Chengyu, and Hu Jiaji, joined comrades in charge of 17 cities and prefectures and a number of counties of the province and persons in charge of certain relevant departments directly under the provincial authorities in inspecting more than 10 model comparatively affluent villages in Jiaozuo City and Xinxiang City. [passage omitted]

In his closing speech delivered at the forum on 31 March, Li Changchun, provincial party committee secretary, set forth a number of new requirements on the work of building comparatively affluent villages across the province. He noted: We should first and foremost try to further heighten understanding of the importance of the work of building comparatively affluent villages. To this end, we should try to overcome difficulties and concentrate on building more comparatively affluent villages in rural areas. The main material basis and potential of the work are in the rural areas. The main task at the moment is to further open up rural areas. Without a comparatively affluent livelihood among rural peasants, there would not be a comparatively affluent livelihood among people of the whole province. Therefore, we should devote more energies to bringing about a comparatively affluent livelihood in rural areas when striving to bring about a comparatively affluent livelihood in the whole province. [words indistinct]

Vice Minister Reports on Trade Talks With U.S.

OW0904094193 Taipei CNA in English 0859 GMT 9 Apr 93

[Text] Taipei, April 9 (CNA)—The Republic of China [ROC] and the United States during the first day of their informal talks in Washington Thursday failed to patch up differences over parallel imports of copyrighted works.

ROC negotiators first proposed that parallel imports of copyrighted works be permitted in principle, with certain exceptions where such imports would be banned, Vice Economic Affairs Minister Yang Shih-chien told the press Thursday [8 April].

The ROC side, led by deputy director-general Lin Yi-fu of the Board of Foreign Trade, was foced to put up another proposal after the first one was rejected. Yang said.

The second proposal, which is believed to be the ROC's bottom line, is in essence the converse of the first one—parallel imports to be banned in principle, with certain exceptions.

Yang indicated, however, that the second proposal was also rejected, as both sides did not reach an agreement on the scope of the exceptions. The talks are scheduled to continue Friday.

The Economics Ministry concedes that parallel imports of commercial copyrighted works should be restricted, but Economic Affairs Minister P.K. Chiang has insisted that those imports not be banned if they are for personal use.

"We will try our bst to protect the interests of local consumers," Chiang pledged.

The ongoing informal talks are a last-itch effort by Taipei to avert trade retaliation by Washington. The countries met in Washington last month for intellectual property rights consultations, but were unsuccessful at reaching an agreement.

Washington has threatened to place Taipei on its list of countries subject to retaliation if the controversial copyright issue is not settled before mid-April.

About U.S.\$600 million worth of Taiwan exports to the U.S. could be targeted once the American trade sanction is enacted.

The focal point of the dispute has been the copyright agreement the ROC signed with the U.S. last year. The pact was, however, only partially endorsed by the Legislative Yuan, a move Washington charged was a ROC failure to honor its previous promise.

Officials Seek To Break Deadlock in U.S. Talks

OW0804184993 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 31 Mar 93

[From the "Hookup" program]

[Text] With the approach of the deadline for possible U.S. retaliation against Taiwan, and considering that legislators have not yet passed the shelved eight articles under the Republic of China [ROC]-U.S. Copyrights Agreement, Hsiao Wan-chang, chairman of the Council for Economic Planning and Development, said yesterday that Taiwan is greatly concerned that the United States will resort to retaliation with the Special 301 provision. In view of the tremendous impact of possible retaliation through the 301 provision on Taiwan's economy, the Ministry of Economic Affairs [MOEA] will try to make unofficial contacts with the United States before 15 April, when the United States will make determinations in this regard, in the hope of breaking the stalemate. With the imposition of the 301 provision, the United States is in a position to levy 100-percent import duties on Taiwan products exported to the United States in the value of \$0.8-1.0 billion, which will also affect products in both the upstream and downstream sectors. Industrialists have estimated that if the retaliatory measures are taken, it will hit our exports to the United States to the tune of \$6 billion. According to statistics. Taiwai s exports to the United States totaled \$23 billion in 1992. Hsiao Wan-chang said that the industrialists have not exaggerated their estimate on the impact of the 301 provision. He added that once the United States resorts to the 301 provision, even if we try to resolve the retaliation through legislation in the future, it would be difficult to recover from the harm it would have done. Once a ROC-U.S. trade war breaks out, the situation would be pretty unfavorable to our side. Currently, the MOEA is taking steps both internally and externally to find ways to cope with the situation. Externally, the MOEA will send relevant officials to the United States to carry out unofficial consultations as soon as possible, to fight for parallel imports of copyrighted works and seek a wider range of products under special permission. Internally, the MOEA will actively meet with industrial circles and try to enhance their understanding of the 301 provision, hoping that the industrial sector will unite as one and urge the legislators to take essential measures to diffuse the pressure exerted by U.S. trade retaliation.

With the deadline imposed by the U.S. side drawing near, and as the legislative departments in Taiwan are still unable to reach a consensus in their stand. Lin Yi-fu, deputy director general of the MOEA Board of Foreign Trade, and Wang Chuan-lu, chairman of the Interior Ministry Copyright Committee, will leave for the United States shortly to hold unofficial consultations with the U.S. Trade Department concerning the issue of parallel imports of copyrighted works. MOEA has submitted the official document relating to the proposed trip to the United States for unofficial consultations to the Executive Yuan. It is expected that once a reply is received from the U.S. side, it is highly possible for our relevant officials to make the trip to the United States this week.

Taipei To Reexamine Purchase of F-16 Fighters

OW0804133693 Taipei LIEN HO PAO in Chinese 27 Mar 93 p 2

[Text] In reply to interpellations at the Legislative Yuan on 26 March, Defense Minister Sun Chen said that the

purchase of Mirage fighters "is proceeding smoothly." Regarding the purchase of F-16 fighters. Sun Chen indicated it must be reexamined and will be decided on the basis of the development of the plan for a mid-life upgrade of the F-16's. He pointed out: "At present we feel that every possibility must be considered."

In his interpellation yesterday on the purchase of highperformance fighters. Legislator Li Pi-hsien said: It has been rumored that there may be a change in our purchase of the A and B models of F-16 fighters from the United States. Now a new government may be formed in France. Will there be any changes in our purchase of Mirage fighters from France?

When he answered the interpellation. Sun Chen referred to the purchase of Mirage fighters as "a matter of concern to Legislator Li." Sun Chen said: Because the government has signed contractual agreements with the other side, many things cannot be verified here. "I can only assure Legislator Li that the matter of concern to you is in fact proceeding smoothly." Sun Chen said: Regarding this purchase, we will maintain the principle of good faith and credibility, but will preserve room for maneuvering.

As for the purchase of F-16 fighters. Sun Chen noted that the number of A and B models to be purchased depends mainly on the study and development of the MLU [Mid-Term Longevity Upgrade] plan. He said: Four European countries and the Republic of China [ROC] will participate in this plan. Some changes have taken place recently—the four European countries will now upgrade 277 aircraft instead of the 419 prescribed in the original plan. The average cost for each fighter will increase as the total number of planes is reduced. However, Sun Chen said this cost is still tolerable within the scope of the original estimated price.

Sun Chen indicated that if the number is further reduced, or if the European countries withdraw from participation—thus making the ROC the only purchaser of the A and B models of F-16 fighters—we will have to pay a higher cost and will face greater difficulties in the future supplying of parts and maintenance. Sun Chen said: This situation may not arise, but we must reappraise this purchase plan. At present I feel that every possibility must be considered.

Li Pi-hsien also raised an interpellation on improving the quality of troops and simplifying administration. In reply, Sun Chen briefed him on the three-stage plan for reducing troop strength and simplifying organizations.

Sun Chen pointed out. The military is now pursuing a policy of carrying out the work of simultaneously reducing troop strength and simplifying organizations. The work of simplifying organizations is necessary but rather complex. Sun Chen said: In the first stage in 1990, 28 percent of the recruits of the combined units under the various services were reduced; in the second stage, which began 1 July 1992, the simplification policy was directed at high-level headquarters, and in the third

stage, efforts will be made to form a "joint working office" for various units under the Defense Ministry. He pointed out that the Defense Ministry has completed drafting an initial "target plan for troop strength for the next 10 years," adding that this program has not yet reached the decision making stage.

'Too Early' for 'Peace Agreement' With PRC

OW0904112993 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 7 Apr 93

[From the "Hookup" program]

[Text] Foreign Minister Chien Fu said yesterday [7 April] that it is too early to talk about signing a so-called peace agreement between the two sides of the Taiwan Strait. Chien Fu pointed out: At present, there is no political contact between the two sides of the Taiwan Strait, and it is too early to hold dialogue on political issues, let alone sign an agreement of a political nature. In the future, if there is to be any political agreement, the highest consideration will be given to the safety of the general public. It will not be a case of accepting what the Chinese Communists dictate.

Chien Fu also pointed out: The hijacking of the Chinese Communist passenger plane was an internationally recognized crime, one which cannot be tolerated by us.

Chien Fu also emphasized: Although we are handling the case in accordance with the international practice, it does not mean relations between ourselves and the Chinese Mainland are international relations. Relations between the two sides of the Taiwan Strait are neither international nor internal; they are special relations between two areas of one country. Chien Fu cited the case of two young mainlanders who hijacked a plane to Taiwan five years ago and who still received relief funds from the Association for Relief to Mainland Compatriots to prove that mainland compatriots are treated in a way different from the way foreigners are treated.

Chien Fu made the remarks in response to interpellations by legislators at the Legislative Yuan.

Ku-Wang Meeting Set for Late April in Singapore OW0904093793 Taipei CNA in English 0924 GMT 9 Apr 93

[Text] Peking, April 9 (CNA)—The internationally noticed meeting between C.F. Ku, chairman of the Straits Exchange Foundation (SEF), and Wang Daohan, chairman of the Association for Relations Across the Taiwan Straits (ARATS), is scheduled to be held in Singapore in late April as decided at a preparatory consultation in Peking Thursday.

SEF Secretary-General Chiu Chin-1 who flew to Peking to arrange the forthcoming Ku-Wang meeting met his

mainland counterpart ARATS Vice Chairman Tang Shubei at the first round of preparatory discussions Thursday afternoon.

Both Chiu and Tang appreciated each other's sincerity in working to solve the various operational and technical problems involved in promoting cross-strait exchanges.

In the two-hour and 20-minute discussions, the two parties reached consensus on the agenda of the Ku-Wang meeting, including a communication channel between the SEF and ARATS, guarantees for Taiwan business investments on the mainland, and cross-strait labor issues.

ARATS Vice Chairman Tang made particular note of Peking's efforts to improve guarantees for Taiwan business invstments, and said he looked forward to hearing Taiwan's active suggestions to bring about even greater improvements on the investment climate.

Chiu said that the Ku-Wang meeting agenda would be finalized after his meeting with ARATS Chairman Wang Daohan Saturday. Agreement has been tentatively reached on the participants in the Ku-Wang meeting, with each party to be represented by a delegation of no more than 10 persons.

Chiu also disclosed that neither party would rule out the possibility that a document might be issued upon the conclusion of the Ku-Wang meeting. The two to three-day Ku-Wang meeting may be held in the form of panel discussions.

The preparatory meeting between Chiu and Tang will run through today and tomorrow. The SEF and ARATS will arrange another preparatory meeting in Singapore before Ku and Wang actually met, according to Chiu.

Prosecutors Seek 'True Motives' for Hijacking

OW0904084293 Taipei CNA in English 0821 GMT 9 Apr 93

[Text] Taipei, April 9 (CNA)—Prosecution authorities are seeking to find out the true motives behind the two gun-wielding mainland Chinese who hijacked a China Southern Airline Boeing 757 to Taiwan Tuesday on its flight from Shenzhen, Guangdong to Peking.

The Taoyuan prosecutor's office Thursday sent a letter to the Straits Exchange Foundation (SEF) asking it to help obtain background information on the two hijackers, identified as Liu Baocai, 23, and Huang Shugang, 29.

"We want to find out their motives and why they were in possession of such a large amount of money," said Hsiao Shun-shui, the office's chief prosecutor. Police found that the two hijackers possessed some 52,000 renminbi (NT\$265,000 [new Taiwan dollars] or US\$10,600) and HK\$800 [Hong Kong dollars].

The hijack duo said in a statement issued after they surrendered to airport police here that they chose to seek freedom in Taiwan as they were disgusted with the communist system on the mainland.

Prosecution authorities said the duo, who are being detained in Taoyuan, some 30 kilometers south of Taipei, did not seem to understand that hijacking is a serious criminal offense here. They had asked prosecutors why they were detained.

Huang Shugang told authorities here that he was a purchase agent at a state-run steel company in Hebei, northern China, while his friend Liu Baocai was a seafood businessman.

A SEF spokesman said the foundation will seek help from its mainland counterpart, the Association for Relations Across the Taiwan Straits (ARATS), to collect more information about the duo's family and working backgrounds in order to ascertain the true motives behind the hijacking.

Justice Minister Ma Ying-chiu reiterated Thursday that the two will be tried here in accordance with ROC [Republic of China] law.

Commenting on a mainland demand that the two be deported to the mainland. Ma said the request is unjustifiable.

Peking's Public Security Minister Tao Siju expressed his hope Thursday that Taiwan repatriate the two hijackers to the mainland. He added that Peking hopes to negotiate with Taiwan for an agreement on the repatriation of hijackers.

Miniaster: Hijacked Plane Not 'Direct Flight'

OW0904145193 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 7 Apr 93

[From the "Hookup" program]

[Text] Is the hijacked Chinese Communist Southern Airline passenger plane which arrived directly at Guangzhou Baiyun Airport from Chiang Kai-shek Airport—instead of arriving at Guangzhou via Hong Kong according to schedule—considered a direct flight?

Justice Minister Ma Ying-chiu said: Only a commercial direct flight would have any significance. This incident was a special individual case, and cannot be termed a direct flight. Otherwise, repatriation of illegal immigrants three years ago could have been termed direct shipping or flight.

Ma Ying-chiu said: Theoretically, it is not wrong to term something a direct flight when flying from a fixed point on our side directly to the mainland. However, documents on direct shipping and flights have clearly pointed out that this type of special occasion cannot be termed as a direct flight. He also stressed: Only a commercial direct

flight would have any significance. Otherwise, repatriation of illegal immigrants three years ago could have been termed as direct shipping or flight.

The prosecutor's office at the Taoyuan District Court yesterday [7 April] held its first hearing to interrogate Huang Shugang and Liu Baocai, the two mainland youths who hijacked the mainland civil aircraft. Both men stressed to the prosecutor in charge, (Chin Taichaio), that they were innocent on the mainland. Their motives for hijacking the plane were simple: They both wanted to flee to Taiwan. After comprehensively inquiring into their previous living and working conditions, the prosecutor decided to remand them in custody.

Today [8 April], he will gather—through the Straits Exchange Foundation—the latest information on the two men's backgrounds.

Legislators Hold Talks With PRC President

OW0804220093 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 6 Apr 93

[By (Yuan Tung); from the "Hookup" program]

[Text] Legislators Lin Cheng-chieh, Hong Hsiu-chu, (Ke Yu-chin), (Chen Kung-liao), and (Chu Kuo-chih) have arrived in Mainland China and plan to visit the Three Gorges of the Yangtze River. On the afternoon of 6 April, through an arrangement made by members of the Taiwan Democratic Self-Government League on the mainland, they met with Communist China's President Jiang Zemin at Zhongnanhai. This was the first meeting with Taiwan's legislators by the Communist Chinese leader. The talks between the two sides lasted nearly two and a half hours. In addition to informal talks, the two sides also talked about the Chinese Communist authorities' policy toward Taiwan and other issues including whether a peace agreement can be signed between the two sides of the Strait.

Legislator Lin Cheng-chieh said that in their talks, Jiang Zemin reiterated the Chinese Communists' stand that they would not use force against Taiwan if there is no outside intervention or Taiwan independence. Mr. Jiang Zemin said they have never wanted to harm the people

in Taiwan; they only want to express (?their concern about) outside intervention or Taiwan independence.

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Wang Zhaoguo, director of Communist China's State Council Taiwan Affairs Office, held talks with Lin Cheng-chieh and his party on the previous day, and he clearly pointed out that if the two sides can gradually unify [tung i] under the principle of one China, a related agreement can be signed. Legislator Lin Cheng-chieh cited Wang Zhaoguo's talk and said: Mr. Wang Zhaoguo said that under the condition of one China and the gradually approach toward peaceful reunification, a 'ruce [ting chan) agreement on ending hostility can be signed. Mr. Wang Zhaoguo said this very specifically.

As to the exchange of visits by high-level personages between the two sides of the Strait, Wang Zhaoguo also said that under the condition of not touching such issues as the name of the country and not using other sensitive words, Communist China's high-level personages are willing to visit Taiwan if they are invited by Taiwan authorities.

As to relations between Taiwan and Mainland China, Communist China's President Jiang Zemin, in meeting with legislator Lin Cheng-chieh and his party, said that the two sides should complement and benefit each other and learn from others' strong points to offset one's weaknesses. Meanwhile, Jiang Zemin also spoke very highly about Taiwan's economic and trade development and science and technology achievements.

Nepal Premier To Release Taipei Official

OW0904082193 Taipei CNA in English 0740 GMT 9 Apr 93

[Text] Taipei, April 9 (CNA)—Nepal's prime minister on Wednesday [7 April] night promised to release Chang Tsering, a government official of the Republic of China [ROC], Chang Chun-i, chairman of the Mongolian and Tibetan Affairs Commission, said Thursday.

The Nepalese prime minister gave the promise when telephoned by Chang Wednesday midnight.

Chang Tsering, now a board member of the commission and a former legislator, visited Nepal in January along with a group of ROC government officials. He was detained for unknown reasons shortly before his departure.

Hong Kong

British MP Criticizes Patten's Position

OW0704225593 Beijing XINHUA in English 2114 GMT 7 Apr 93

[Text] London, April 7 (XINHUA)—A well-placed British MP [member of parliament] today once again criticized Chris Patten, governor of Hong Kong, for his constitutional reform proposal on the territory.

In an article carried in the London newspaper LLOYD'S LIST today, Robert Adley, chairman and founder member of the British-Chinese parliamentary group, said that by putting forward the proposal, Patten has broken "both the letter and the spirit" of the joint Chinese-British declaration as well as the Basic Law.

"Ask those involved in those negotiations in private and they will confirm this view," he said.

He noted that Patten's proposals include unilateral decison to transfer decision-making from London and Beijing to the Legislative Council in Hong Kong.

Adley said that the Chinese Government always keeps their word on international agreements they sign. "We should do the same," he stressed.

Otherwise, he said, if Britain's business relations with China would be affected, leading to job losses in the country, "that would be annoying."

He also noted that to believe that China will respond, on a matter of national pride and sovereignty, to threats to her trade and financial interest, may be "a grave mistake."

"Governor Patten should consider his position," he urged.

Commentary Says Patten Hurts British Interests

HK0904010093 Hong Kong WEN WEI PO in Chinese 2 Apr 93 p 11

["Special Commentary" by Tung Fang-tieh (2639 2455 6993): "Chris Patten's Actions Also Harm British Interests"]

[Text] Many Hong Kong residents are by now aware that Chris Patten has published his constitutional reform package in the Hong Kong Government gazette, thus jeopardizing Sino-British talks and injuring Hong Kong's interests; this is an indisputable fact. With Chris Patten bent on going his own way, will British interests be harmed as well?

Superficially, the question seems to be strangely put. Chris Patten is the governor of Hong Kong appointed by Britain; according to British law, including "the Letters Patent" and "the Royal Instructions," all his powers are derived from the British Royal family and he is responsible only for the British Government's interests. As a British local official carrying out the mission of colonial

rule, he is no more than a housekeeper of British "assets" in Hong Kong, and his primary function is to represent and protect British interests. Under such circumstances, will his actions harm British interests? The answer is that it is not unlikely, because intentions and results do not always coincide. If Chris Patten adopts an erroneous policy in the last four years of Hong Kong's transitional period, he will harm Pritish interests as well, thus leaving a very dishonorable page in the history of Britain's pullout from Hong Kong.

What are British economic interests in Hong Kong? When China and Britain held talks over the Hong Kong issue in the early eighties, former British Prime Minister Thatcher firmly denied that Britain had huge interests in Hong Kong, but the world knew very well that this was just her strategy for the talks. The British Government published its "Annual Report on Hong Kong Affairs" in the form of a white paper in April 1990 and officially assessed British income from Hong Kong. The annual report acknowledged that the volume of British income from Hong Kong was so huge that it would be difficult to accurately assess. It listed only three items; the value of shares of companies under British management and control accounted for 20 billion pounds sterling, or approximately HK\$250 billion [Hong Kong dollars]: the number of British companies founded in the form of affiliates under monopoly of British capital or jointenterprise companies exceeded 400-moreover, most of the largest companies in Hong Kong were under British management, with British subjects possessing the lion's share—the gross value of British exports to Hong Kong was 1.1 billion pounds in 1989, second only to Japan and India in Asia, whereas invisible exports would exceed twice that sum.

In fact, those few items listed in the white paper were just a tip of the iceberg. Regarding visible income, the British Hong Kong Government collects from Hong Kong taxpayers an annual military expenditure of approximately HK\$2 billion for British troops stationed in Hong Kong. and British officials working in Hong Kong enjoy an income of several billions of Hong Kong dollars every year. Engineering and advisory companies fur Jed by British capital have obtained huge profits through various large-scale capital construction projects with the approval of the British Hong Kong Government, which deposits its foreign exchange fund in British banks, thus investing in Britain and bringing great advantages to that country. None of this was put down in the white paper. Other "invisible" economic benefits are even more difficult to calculate.

Furthermore, Hong Kong has potential long-term significance for Britain's economic growth and development. Today, John Major's administration is exerting itself to the utmost to find a way to escape from Britain's most serious postwar economic recession. On one hand, it is trying to avoid being shut out of the European unification process by becoming a signatory of the "Maastricht Treaty"; on the other hand, it is specifically working toward strengthening British investment and trade in the

Asia-Pacific region and working hard to make profits in this region, which is full of economic vitality. The British Government hopes to increase Britain's proportion of world trade by 1 percentage point from today's 5.3 percent—an increase of 10 billion pounds of gross export value. Because of the tight trade protectionist wall surrounding North America and various European countries, the most important factor in realizing that goal will be none other than Mainland China and Hong Kong. In addition, Hong Kong has been a pillar of expanding British investment and trade with Mainland China and the entire Asia-Pacific region. Although Hong Kong is not a panacea for salvaging the British economy, it does have the effect of a tonic in revitalizing the British economy.

As Britain has huge economic interests in Hong Kong. what should it do to genuinely fall in line with its interests? Since Sino-British talks over the issue of Hong Kong began, the British Government, public, and several tenures of Hong Kong governors have racked their brains on the issue; some of them came up with good ideas, and others wrong ideas. Chris Patten falls in the latter category. Why do we say that he has come up with wrong ideas? Because he has failed to see the truth that "whoever understands the times is a great man." What are the characteristics of "the times"? The essence of "the times" regarding Hong Kong is its return to China on 1 July 1997; it is not to exchange the right to rule with sovereignty, nor is it independence. China is not a weak nation, but a larg, country. Keeping in mind this major trend, we can see that some of Britain's economic interests in Hong Kong will not go beyond 1997; for example, military expenditure for British troops stationed in Hong Kong and those special privileges and unfair rights and interests that were derived from colonial rule. On the other hand, some proper interests that fall in line with the Basic Law may continue and develop. Many figures with vision in Britain have seen that, only by augmenting cooperation with China, earnestly maintaining the stability and prosperity of the Hong Kong community and realizing a stable transition according to the Sino-British Joint Declaration, the principle of converging with the Basic Law, and the agreements and understandings reached between China and Britain, will it be possible to find the correct way to maintain British economic interests in Hong Kong and the Asia-Pacific region and to genuinely fall in line with Britain's longterm interests. Otherwise, Britain will start by hurting others but in the end will hurt itself.

Regarding Britain. Chris Patten, unfortunately, has precisely committed such a foolish mistake in choosing to confront China while throwing away the Sino-British agreements. Patten thought he was clever and "wiser" than all other people; in fact, he has no knowledge about Hong Kong or China, and the road he wants to take in the next four years has been proven to be a cul-de-sac by the British side's repeated soundings over the past 14 years; eventually, it will have to pay an irredeemably high price for it.

What harm will Chris Patten's actions do to British interests? First, Britain's ability to govern Hong Kong will be reduced before 1997. It is explicitly written in the Sino-British Joint Declaration that, during the transitional period. Britain is in charge of administering Hong Kong, and the Chinese Government will cooperate with it. Due to the objective factor that Hong Kong is soon to be returned to China, should the cooperation of the Chinese side be missing in the administration of the British Hong Kong Government, it will become a shortterm ruler and will lose its authority. When Chris Patten challenged Sino-British cooperation, he actually destroyed the basic conditions for his administration. Should the British Hong Kong Government become a "lame duck," that will purely be the consequence of Chris Patten's actions, and he has only himself to blame.

Second. in the latter half of Hong Kong's transitional period, the maintenance of Hong Kong's social stability will be of vital importance to the development of various financial interests in Hong Kong. In particular, British capital is extensively invested and has an extremely close relationship in Hong Kong, only by ensuring the stability of the social situation and realizing a stable transition will it be possible to suit the changes in the government's turnover and to make new progress on the original basis. Chris Patten's "constitutional reform," however, will bring disputes and turbulence to society, casting a shadow on the prospects of investment in Hong Kong; this carries all the disadvantages to British capital but not a single advantage.

Third, according to the stipulation in the Basic Law, the existing legal system and economic operational mechanism will remain basically unchanged. The stipulation has objectively taken into consideration British interests out of facts shaped by history; actually, the benefits for British capital that have resulted from political and economic convergence are greater than other aspects. Perhaps that was an important reason behind the British side's agreement with the principle of convergence with the Basic Law and its conception of the "through train." However, Chris Patten has arbitrarily trampled the principle of convergence and gone his own way; the Chinese side must adopt some measures to deal with the situation; consequently, past related arrangements, including the related efforts of the British side over the past dozen of years or so will go down the drain. No wonder some British officials who have been engaged in Hong Kong affairs for years and some financial groups based on British capital are unhappy and anxious about that.

Fourth, the Special Administrative Region government after 1997 will treat local commercial interests and those of all foreign countries equally without discrimination, will encourage fair competition, and will demonstrate consideration for interests in various areas; no one should seize advantages on the strength of special colonial privileges. Under the tendency of plurality of capital, although British capital will have some advantages from history, it will face fierce competition. The result of Chris Patten's political confrontation can only accelerate

British capital's loss of more of those advantages and promote other foreign capital to more quickly fill the gap. The prospects of British capital in Hong Kong are not optimistic due to Chris Patten's actions.

Fifth. from a wider angle, Hong Kong is an important pillar for Britain to enter Chinese and even the Asia-Pacific market. If Britain wants to enjoy a slice of the cake of the vigorous economic development in this region, it must handle the issue of Hong Kong with double meticulousness; otherwise, it will lose voluminous opportunities for investment and trade.

In short, British interests exist only in the Sino-British Joint Declaration, the principle of converging with the Basic Law, and sound Sino-British cooperation, but not beyond them. The idea of seizing improper interests at the cost of injuring Hong Kong's future to prolong colonial rule beyond 1997 will turn out to be quite the opposite, "when one goes for wool, one will come back shorn." This is by no means an "empty threat," but common sense or even the expected outcome. Now there are only four years left before 1997, "even though people have no anxieties for the far-off future, they have some immediate worries"; be it the far-off or immediate future, Chris Patten's actions are unwise for Britain. It is said that the some people in the British parliament have lauded Chris Patten to the sky, regarding him as a "hero." The author is not without doubt over whether such statements were due to shortsightedness or a trap set by the opposition, which would very much like to see the Conservative government trip and fall. Anyway, the author believes that, when Britain reviews this history on the day when Hong Kong is returned to China, it will come to see clearly the foolish things Chris Patten has

Legal Paper Condemns Patten Reforms

HK0804145493 Beijing FAZHI RIBAO in Chinese 3 Apr 93 p 4

[Article by Xu Chongde (6079 1504 1795): "Resolutely Safeguard the Sanctity of the Hong Kong Basic Law"]

[Text] Patten's Provocation

Hong Kong Governor Chris Patten has dished out his so-called "political reform package," which is supported by the British Government, in a deliberate move to seek confrontation and undermine the Hong Kong Basic Law. This is absolutely not permitted. The Basic Law is the legislation of our country's basic principles and policies toward Hong Kong, and these principles and policies have been clearly written down in the Sino-British Joint Declaration signed by the two countries. Therefore, to oppose the Basic Law is to oppose the Sino-British Joint Declaration. In the course of drafting the Basic Law, certain stipulations on the political system came to reflect the concrete plan on which both the Chinese and British sides reached an understanding; therefore, to oppose the Basic Law is to violate the agreements reached between China and Britain. The Basic Law has been formulated according to the constitution; it gathers and embodies the will and interests of the people of various nationalities throughout the country, including the Hong Kong compatriots. Patten opposes the Basic Law, and this means he opposes the will of the people throughout China. This is a serious provocation.

A Mean Trick To Confuse the Public

When Patten shouts for "expanding democracy" and "quickening the pace of democracy," he means the Hong Kong Basic Law "standoff" in the area of democracy. He vows to first increase the number of directly elected seats in the Legislative Council [Legco]—with the support of the British Government—and use this as a breakthrough point to undermine the sanctity of the Basic Law. This kind of trick to confuse the public is truly mean. We all know that, over the past one and a half centuries, the Hong Kong people never had democracy or the opportunity to make their own decisions. Hong Kong has been ruled by a dictatorial system under the governor. Legco was the governor's advisory body its members were appointed by him; and it was not until the eighties that a few members were elected indirectly. The first group of directly elected members emerged only in 1991 (less than one-third of the total). The Basic Law proceeded precisely from this reality in Hong Kong, decided on a principle of gradual and orderly development of democracy, and concretely stipulated that, after 1997, the directly elected seats in Legco should be: First round, 20; second round, 24; and third round, 30. It also stipulates that, after the first three rounds, Hong Kong will decide on its own how to continue to expand the proportion of directly elected seats or to reach a stage whereby all members are directly elected. We must point out that this rate of progress has been discussed and agreed upon by both China and Britain. To ensure a smooth transition, the British side agreed to fix the number of directly elected Legco members to 18 persons for the 1991 elections and to increase the number to 20 persons in 1995, so as to converge with the new Legco in 1997. At present. Patten is going back on those words and is insisting on increasing the directly elected seats in 1995. This may lead to an inability to converge, or may necessitate an amendment of the Basic Law to accommodate the reality created by the British side for the sake of convergence. Both consequences are extremely harmful; furthermore, it is virtually impossible to amend the Basic Law before 1997.

The Hong Kong Basic Law stipulates that the Election Committee should be composed of members from the four major business sectors, industrial, commercial, financial, and professional, among other sectors. Patten's package went so far as to propose that the 1995 Election Committee should "draw all or most of its members from the directly-elected District Boards." This is another one of his ways to oppose and undermine the Basic Law. Patten has resorted to sophistry: What the Basic Law stipulates is the Election Committee after 1999, not 1995. The relevant decision adopted by the

National People's Congress, however, includes clear provisions to the effect that the composition of the last Legco before Hong Kong is returned to its motherland should be in accordance with the relevant provisions of the Basic Law, so that its members can become members of the new Legco in 1997. Therefore, the 1995 Election Committee should also be run according to the relevant provisions of the Basic Law. Patten is wantonly changing the composition of the Election Committee, and his purpose is to deliberately render a smooth transition impossible. We can see that Patten's democracy is fake, and his destruction is genuine.

A Deliberate Plan To Undermine Talks

According to the Sino-British Joint Declaration, all important changes during the transition period should be carried out only after being discussed and agreed upon by both China and Britain. Patten did not discuss these matters with us, however, and no sooner had he gotten out of the car than he unilaterally dished up a 'political reform package"—which would create major changes—to stir up a controversy. This package violates the Sino-British Joint Declaration, the Hong Kong Basic Law, and the relevant agreements reached between China and Britain. After our country solemnly pointed out that the essence of this controversy is not a problem of whether we want democracy, but a problem of whether there should be cooperation or confrontation, and after feeling pressure from public opinion in China and Hong Kong, the British side had no choice but to say they were willing to return to the negotiating table. Basically, however, they have no sincerity for talks, and time and again they have deliberately complicated the issue and undermined the talks. For example, the British side has said that Hong Kong Government officials must take part in the talks, and this is one of the cases illustrating this situation.

Hong Kong has been a Chinese territory since ancient times but was occupied by Britain after the Opium War in 1840. Today, through negotiations, China and Britain have solved this problem, which has been left behind by history. The Chinese Government has decided to resume sovereignty over Hong Kong in 1997, and the British Government is responsible for returning Hong Kong to China at that time. Therefore, solving the Hong Kong problem and ensuring a smooth transfer of power is a matter of the relations between the two sovereign countries of China and Britain, not other relations or relations among three sides. To realize a smooth transfer of power in 1997, the necessary measures to be taken during the transition period should be discussed, consulted on, and settled by both the Chinese and British Governments. From a legal point of view, Sino-British negotiations are diplomatic activities between two sovereign countries. As the Hong Kong Government does not have independent sovereignty, it certainly cannot sit as one of the sides in the diplomatic activities between China and Britain. This is crystal clear. In the past, Britain relied on the three unequal treaties it imposed on the Qing Government in the 19th century to occupy Hong Kong. The Chinese people and the past and present governments in China never recognized these three treaties. Therefore, in the eyes of the Chinese people, the Hong Kong colonial government, which emerged under the aegis of the British invaders according to the three invalid "treaties" in the past, has no qualification to sit as equals at the same table with the Chinese Government and to carry out talks face to face. Therefore, the absurd demand raised by Britain for talks among three sides has naturally been solemnly refused by us. Is it not true that the British Government has itself asked to be snubbed and revealed its intention to destroy the talks?

A Senseless Politician, A Man To Be Condemned by History

Cooperative relations between China and Britain were good following the signing of the Joint Declaration in 1984. At a time when both sides were working hard to lay the tracks for a smooth transition in accordance with the spirit of the Basic Law, Patten suddenly jumped out. stirred up a controversy, and willfully destroyed things. With the British Government's support, he unilaterally dished up the "three violations" political reform package, which he has stubbornly upheld, to the extent that the development of the political system in Hong Kong has derailed from the originally designed track. Taking the overall interests into account, our country has prepared to hold talks with Britain, but the British side stirred up trouble concerning the composition of the representatives to the negotiations, to the extent that talks could not open. Thereafter, the Chinese side worked painstakingly to remove the obstacles; however, when the talks were about to begin. Patten flagrantly gazetted his package, therefore slamming the door on the talks. He wanted to go his own way and hand the package to the Hong Kong Legco as legislation. Just imagine that Legco, a local organ, has the right to approve or disapprove a "political reform package" which changes the provisions of the Basic Law and the contents of the agreements reached between the two sovereign countries of China and Britain, and you will see a bad example being created as well as the endless trouble it is going to cause. Patter has only been in office for a short time, but he has done all the bad things. He is ignoring the interests of Hong Kong and has adopted an extremely irresponsible attitude. Patten will become a man condemned in the history of Hong Kong.

Resuming sovereignty over Hong Kong is China's sacred power, and no hindrance or destruction is permitted. China absolutely has the ability to ensure Hong Kong's stability and prosperity. When the British Hong Kong authorities violate the Hong Kong Basic Law, create confusion, and hinder the smooth transfer of power and the stable transition of Hong Kong, they are only picking up a rock to drop it on their own feet.

'Trick' of British 'Colonialists' Criticized

HK0904102593 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 6 Apr 93 p 5

[Article by Wu Ping (0124 1627): "Playing the Same Old Trick of the Old Colonialists"]

[Text] In the summer of 1992, when the compatriots in Hong Kong were living and working in peace and contentment and the Hong Kong economy was developing vigorously, the last governor of Hong Kong, Chris Patten, took office as instructed. This gentleman, who is good at playing the game of politics, broke international good faith and dished up a "constitutional reform package" which violated the Sino-British Joint Declaration, the principle of convergence with the Basic Law, and the relevant agreements and understandings reached between China and Britain. He did this the moment he took up his official post, causing a growing feeling of uncertainty among the Hong Kong people, a stock market crash, and social uneasiness. While obviously going against historical trends and popular feelings and will and trying to set back the clock. Patten prattled on that the implementation of his "constitutional reform package" sought to "develop democracy" in Hong Kong.

As is known to all, there were not any records of practicing democracy in Hong Kong under Britain's rule of the last 150 years or so. Beginning in 1842, when Britain began to rule Hong Kong, to 1984, when the Sino-British Joint Declaration was signed, there was not a single directly elected member in the Legislative Council; in 1985 there were members elected by functional constituencies (indirectly elected); and it was not until 1991 that the council began to have members who were directly elected. Up to 30 July 1997, the day before Hong Kong returns to the motherland, the Hong Kong governor—who has absolute administrative power—will still be appointed by the British Government. For years, in appointing or replacing Hong Kong governors, Britain has never consulted the Hong Kong residents, who have had to live under colonialist laws, such as the "Letters Patent" and the "Royal Instructions." Britain's autocratic rule of Hong Kong has long been out of keeping with the times. Therefore, we favor developing democracy in an orderly and systematic way and in the light of the realities in Hong Kong so as the maintain its stability and prosperity. Accordingly, the Basic Law of the Hong Kong Special Administrative Region has made rational arrangements, specifically, that the number of directly elected seats in the first Legislative Council will be 20; this number will be increased in each newly elected council; and, by the year of 2003, the number will increase to 30, constituting half of the council's total number of seats. What is to be done with the number beyond the year 2003 is entirely for the Hong Kong people to decide in accordance with the stipulations of the Basic Law. In the end, all of Hong Kong's Legislative Council members will be directly elected, and its chief executive will elected in a general election. The democratic rights that the Basic Law gives the Hong Kong

residents are incalculably much greater than those that have been given to them under the British rule of the last 150 years or so.

Hong Kong has entered the later stage of the transitional period. The day for the motherland to exercise sovereignty over Hong Kong is rapidly approaching. To ensure a smooth transfer of political power, the development of democracy must converge with the Basic Law, which was completed after years of repeated solicitations of opinions from all sides concerned, particularly the Hong Kong people. The Chinese Government's advocacy of developing a democratic political system in Hong. Kong in an orderly and systematic way, which has been manifested in the Basic Law, is entirely in keeping with the interests and aspirations of the compatriots in Hong Kong and is realistic. Without authorization. Patten made a tremendous change in Hong Kong's existing political system. This is not only in violation of the Sino-British Joint Declaration and the relevant agreements and understandings reached between the two countries and out of tune with the Basic Law, but it is also entirely divorced from the realities in Hong Kong. His way of doing things has shocked the Chinese side and has caused an outery in the Hong Kong community.

During the last 150 years or so of British occupation and rule of Hong Kong. Britain never introduced a democratic political system. Why was it not until Patten became the last governor of Hong Kong that Britain suddenly tried to speed up the development of "democracy?" A review of the history of British colonialism will enable people to easily see that this is the British colonialists' customary strategy before leaving their colonies.

No matter what kind of beautiful labels the fanatical instigators of "democracy" stick on themselves, in the final analysis, democracy is a means which serves a certain political end. In any country or region, if democracy is used properly, it will develop harmoniously. Otherwise, it will become a bitter "disrupting agent," bringing chaos to society and discontent to the people. It was precisely by making use of this "wise prescription" of "democracy" that the old colonialists deceived the people and artificially created or magnified contradictions in some regions in several areas, such as territory, race, religion, politics, economics and culture, thus leaving behind endless disputes and disasters. This is an important reason why some countries and regions have remained in a chaotic state and continue to be economically poor and backward.

The hard facts have repeatedly indicated: The colonialists will never resign themselves to their paradise lost. Before quitting their colonies, they will consistently try to use every possible means to foster their own forces and agents so that they can continue to maintain "British rule with the British." Patten has again picked up the mantle of the old colonialists and, under the pretense of "democracy," has tried to continue to deceive and mislead the Hong Kong people, foster pro-British and anti-Chinese forces, and throw Hong Kong into chaos to

hinder the smooth transition of Hong Kong and safeguard Britain's vested interests after 1997. Without making the slightest effort to hide their real intentions, British politicians have said: By so doing, Patten and the masters behind him "have their eyes on the next 50 years rather than the five years of the second half of the transition period."

We are convinced that the compatriots in Hong Kong are good at making a clear distinction between right and wrong and know how to take their destiny into their own hands. No matter how the old-style colonialists play the same old trick and no matter what games they play, their efforts will be fruitless.

Editorial Questions Patten's 'Sincerity'

HK0704111593 Hong Kong WEN WEI PO in Chinese 7 Apr 93 p 2

[Editorial: "Let Us See How Much Sincerity Chris Patten Has"]

[Text] In the process of the Sino-British row over Hong Kong's constitutional reform, Hong Kong compatriots have hoped that Chris Patten would be given an opportunity to climb down the ladder so that Sino-British talks could be reopened. The Chinese side has made a major concession, with the overall interest in mind. In the diplomatic contacts, the two sides have stressed that the Sino-British Joint Declaration, the Basic Law, and the understandings and agreements reached between the two sides should serve as the basis for talks, thus making things move forward. The Chinese side agreed to reopen the talks in mid- or late March. But Chris Patten suddenly decided to gazette his constitutional reform program, thereby shutting the door on talks. He also claimed that his program is a "three conformities" one. Upon returning to England recently, Chris Patten was immensely proud of closing the door on the talks and displayed his achievements in "bringing pressure to bear" on China. He openly said: Seeing as China has made half a concession by refraining from demanding the withdrawal of my program, why can it not make another half concession on the status of Hong Kong Government officials?

Even though the Chinese side has once again exercised forbearance, Patten has refused to retreat. Instead, he wanted to climb a rung higher. He wanted the Chinese side to put up a ladder so that he could climb higher and exact a higher price. This shows that he is reaching to take a mile after being given an inch. Basically, he lacks the sincerity for talks. As soon as he arrived in Hong Kong, he trampled on the Sino-British Declaration and even refused to consult with the Chinese side over constitutional reform, an issue which concerns the transfer of political power. He published the constitutional reform program unilaterally, raising an obstacle to Sino-British cooperation. When the two sides had made things move through diplomatic contacts, he again unilaterally gazetted his constitutional reform program,

disrupting Sino-British cooperation and creating a deadlock. Chris Patten has relentlessly trampled upon the goodwill of the Hong Kong people.

Before returning to Britain for consultations, Chris Patten made arrangements for a series of international publicity campaigns in an attempt to play "international cards" in a big way, thus transforming the Hong Kong issue into an international one. Patten arranged a series of interviews with CNN reporters. In the interviews, he spent most of the time marketing his "three violations" constitutional reform package but never said a single word about the earlier understandings and agreements on the political structure that the Chinese and British foreign ministers reached in 1990. When he was in Brussels, he talked so much about his constitutional reform package that European Parliament President Klepsch made the mistake of saying that Hong Kong is a "state," so it "needs a system for self-determination." Brussels, Chris Patten also advanced three preconditions for Sino-British talks: The Chinese side should put forward its own electoral program; the elections must be "fair" (namely there must be direct elections); and all those who are elected must be allowed to keep their posts after 1997. All this was designed to mislead the international media and people in the Western countries so that they would believe that the Chinese and British sides had not reached any agreements on the program for 1995 elections and that the formula for functional constituency elections was put forward by the Chinese side rather than by the British side. Chris Patten sought to cover up the fact that Britain violated the agreement on constitutional reform that had reached by the two sides and was trying to attract forces from the Western countries to put greater pressure on China.

If Britain was ready to carry out the agreements reached by the two sides, why did Chris Patten refuse to act in line with the agreements, but rather unilaterally formulated a new constitutional reform program and decided to submit it to the Legislative Council [Legco] within a definite time? Why did the colonist governor overstep China's sovereignty by unilaterally creating a new political structure and then imposing it upon China, while Britain emphasized that it "will not infringe upon China's sovereignty over Hong Kong after 1997"? Why did Patten time and again support those who openly burned the Basic Law and threatened to overthrow China's legitimate government and make it a precondition for talks for these people to keep their posts in the Legco after 1997? Why did Chris Patten visit the United States, Japan, Canada, and the EC to lobby for support for his constitutional reform program—which negates China's sovereignty over Hong Kong and the Basic Law—and persuade international political forces into interfering in Hong Kong's affairs, thus levying blackmail on China while the British side has said time and again that "the Sino-British talks are matters between China and Britain"? Why did the British side say that the constitutional reform program will be debated in the Legco after Patten and Clinton met on 9 May? Does this

mean that the "most favored nation" status will become a means for pressuring China?

Chris Patten is kicking up dust in the international arena and is putting Hong Kong into the whirlpool of international political struggle. This will be harmful to Hong Kong's economic prosperity and stability. The one who tied the bell on the tiger should be the one to take it off. It was the British side that caused the negotiations to come to a deadlock, and it was Patten who closed the door to talks and listed preconditions to prevent their resumption. Therefore, it is upon the British side to take the initiative to break the deadlock and to return to the consensus reached by the Chinese and British sides on 11 March. The Chine side has shown extreme forbearance, and the ball is now in the British court. If Chris Patten lacks sincerity, he will tightly lock the door to talks.

Editorial Says Door To Talks 'Shut'

HK0704132993 Hong Kong TA KUNG PAO in Chinese 7 Apr 93 p 2

[Editorial: "It Is Hoped That China and Britain Will Resume Consultations on the Basis of the 'Three Conformities'"]

[Text] Yesterday morning, more than 100 district board members from Hong Kong's 19 district boards sent representatives to the Governor's Mansion and some other places to express their objection to Hong Kong Governor Chris Patten's "gazetting" of his political reform package. These grass-roots personalities criticized Chris Patten as having suddenly gazetted his political reform package at a moment when the Chinese and British Governments were about to resume talks after having held consultations with each other through diplomatic channels, thereby abruptly landing the bilateral talks in an impasse and undermining the overall interests of Hong Kong citizens. The district board members also called for the resumption of the Sino-British talks and the settlement of the on-going political dispute, which has puzzled the citizens for half a year.

While making a public speech in Europe the other day, Hong Kong Governor Chris Patten claimed that his political reform package "has received extensive support" in Hong Kong. However, these district board members—who frequently work in the districts and are in close contact with the people at the grass-roots level—have now stood up to express strong grievances against Chris Patten. This fact has brought to light the true nature of the so-called support that the colonial ruler is claiming.

Almost everyone now knows that it was no one other than Chris Patten—a man who announces his "willingness to talk" whenever he speaks—that ruined all previous achievements of the Sino-British talks. Even though, after "gazetting" his package, Chris Patten continued to claim that the British side is willing to hold talks with the Chinese side in any place, at any time, and

without preconditions, the facts are clear to all: The British side, especially Chris Patten, should be held entirely responsible for the suspended Sino-British talks. Chris Patten displayed no sincerity in the talks at the outset and tried to create all sorts of artificial obstacles throughout the consultations, thereby undermining the basis of the talks.

Even before Chris Patten dished out his political reform package last October, the Chinese Government had time and again suggested to the British side that the two sides should hold consultations on Hong Kong's electoral arrangements and issues concerning convergence through diplomatic channels and at the Sino-British Joint Liaison Group meetings. Chris Patten rejected such consultations. Instead, he unilaterally concocted a political reform package of "three violations," specifically, it violates the Sino-British Joint Declaration, the principle of convergence with the Basic Law, and other relevant Sino-British agreements and understandings. What Chris Patten did was opposed by the Chinese Government and people of all walks of life in Hong Kong society. In early February of this year, the British side officially proposed negotiations with the Chinese side through diplomatic channels. The Chinese side immediately and positively responded to its proposal and resumed diplomatic consultations with the British side, deeming them in conformity with the wishes of the broad masses of Hong Kong citizens. After discussing with one another for some time, the Chinese and British diplomats succeeded in narrowing their differences. As a result, both sides confirmed that they will hold talks on issues concerning the 1994 and 1995 electoral arrangements on the basis of the Sino-British Joint Declaration, the principle of convergence with the Basic Law, and other relevant Sino-British agreements and understandings. At this time, however, the British side again created an obstacle by quibbling over the question of the capacity in which Hong Kong Government officials would participate in the talks. As a result, the two sides failed to reach an agreement despite a long delay. Meanwhile, Chris Patten also tried to bring pressure to bear on the Chinese side by four times proposing the gazettal of his package. During the bilateral diplomatic contracts, the British side has also violated the principle of confidentiality many times, thus causing difficulties for the talks. Now Chris Patten is saying that he will submit his reform package to the Legislative Council [Legco] for deliberation. He is trying to bring more pressure to bear on the Chinese side. This has once again proven that the so-called principle of "no preconditions," as stated by the British side, is nothing but a lie.

The fact that the British side and Chris Patten have been quibbling over the status of the Hong Kong Government officials and sabotaging the talks has failed to receive popular support. On the one hand, Chris Patten stated that the Hong Kong Government officials represent the Hong Kong people, while, on the other, he said that the Hong Kong Government officials' participation in the talks is a matter within British sovereignty. As a matter

of fact, he is making a denial by resorting to sophistry. The Hong Kong civil servants clearly know about the tricks played by the British side. People still member that, not long ago when the Sino-British talks on the question of the new airport reached a crucial stage, the British side abandoned the Hong Kong Government officials and allowed only those officials who were genuinely British to participate in the talks. Now they are, instead, accusing the Chinese side of "downgrading the status of the Hong Kong Government officials." Needless to say, what they want is to create a pretext for sabotaging the talks. Lu Ping, State Council Hong Kong and Macao Affairs Office director, has made it clear that the Chinese side will have only one representative at the talks. The officials of the State Council Hong Kong and Macao Affairs Office and the XINHUA Hong Kong Branch will participate in the talks as experts or advisers. Where on earth does the so called "downgrading" exist?

The facts are obvious to people from all walks of life in Hong Kong: During the first half of the transitional period after the Sino-British Joint Declaration was signed. China and Britain maintained good relations of cooperation and held fruitful and positive consultations with each other. Ever since Chris Patten resumed office as Hong Kong governor more than half a year ago, however, Sino-British relations have been at a low ebb. Just as the district board members have pointed out, what ordinary citizens hope to see is that Hong Kong will continue to maintain economic prosperity in the last four years of British rule and that any political change will converge with the Basic Law so that there will be a smooth transition. If Britain is really sincere in ensuring a smooth transition in Hong Kong, it should respect the opinions of the Hong Kong people, and give up all "preconditions" obstructing the Sino-British talksincluding the Hong Kong governor's political reform package of "three violations"—this being the only correct way of seeking resumption of talks with China.

The Chinese side has all along stood for cooperation and opposed confrontation. Even after the British side deliberately sabotaged the talks and engaged in "three violations," the Chinese side still displayed considerable sincerity by taking the overall situation into account and tried to have the differences resolved through negotiations while adhering to the principles. "Whoever started the trouble should end it," however. Because the door to negotiations was shut by the British side, we can only wait for the British side to reopen it. The ball is now in Britain's court. The British side should comply with the wishes of the Hong Kong people and should take action to return to the orbit of consultation and cooperation. Should Chris Patten try to step up confrontation and submit his political reform package to the Legco, then the door to negotiations would be firmly shut. Diplomatic negotiations must not proceed simultaneously with Legco debates. The two-man comic show staged by the British side can never deceive the Chinese side, nor can it entrap the Chinese side. No matter whether the Legco slightly amends or drastically alters Chris Patten's political reform package, there will definitely be no "through train," as the door to Sino-British negotiations has already been shut. Hong Kong citizens with fine wishes generally hope to see China and Britain resuming consultations on the basis of "three conformities." Nevertheless, what Chris Patten has said or done thus far cannot but push himself further into a blind alley. There is still no sign that he will turn around.

Public Security Minister Discusses Hong Kong

Admits Triad Links

HK0904050093 Hong Kong MING PAO in Chinese 9 Apr 93 p 2

["Special dispatch" from Beijing by staff correspondent: "Tao Siju on Triad Protection for Leaders; Hong Kong People Are Worried About the Impact of the Rule of Persons on the Rule of Law"]

[Text] Chinese Public Security Minister Tao Siju admitted yesterday in reply to a reporter's question that the Chinese Public Security Ministry has links [lian xi 5114 4762] with triads in Hong Kong, saying that he believed that there are also good people among the triads who should be given a chance to reform, and that indeed 800 people, all triad members in a manner of speaking, had once taken up the responsibility of providing protection for state leaders travelling overseas.

Tao Siju also said that we should unite as much as possible with triad members who love the country and Hong Kong, as this would help Hong Kong's prosperity and stability.

At a news conference, Tao Siju stated that because of their jobs, the Public Security Ministry officials have links with every stratum in society, including triads, characterizing the levels of contact the Public Security Ministry maintains as "mixed and involving people of all sorts."

Tao Siju stated that while it opposes illegal activities such as robbery, arson, and killings by anybody or any organization, the Public Security Ministry should allow triad members to reform and to become good.

Tao Siju believed that there are also good and reformed people among the triads, citing an instance in which more or less 800 triad members were entrusted with the job of protecting a state leader in a foreign country, and saying that he had personally witnessed this, as he was then responsible for security. But he declined to reveal the details of the event or when it occurred.

Responding to Tao Siju's statement, Cheung Mankwong, a member of the Hong Kong Legislative Council [Legco], said that Hong Kong citizens were shocked by Tao Siju's lumping together the concept of the rule of law and that of the rule of persons and was worried whether the spirit of the rule of law could be maintained after 1997 Cheung Man-kwong pointed out that Hong Kong is a society ruled by law, in which triad membership is illegal and punishable by law, whether or not the person in question has committed any crimes. Therefore, it is totally meaningless to impose on Hong Kong, a society ruled by law, the value of the concept of the rule of persons.

Cheung Man-kwong characterized the 800 triad members who protected the Chinese leader on his overseas tour as "800 warriors," questioning China's need to have troops if its leaders are under triad protection and saying that it is no wonder that Hong Kong citizens are turning to triads for help to retrieve their stolen cars.

He also said that with the transfer of sovereignty in 1997 ahead of Hong Kong, Tao Siju's remarks, apart from dampening Hong Kong police's morale for cracking down on the triads, had shocked the citizens and caused them to worry whether Hong Kong can maintain the spirit of the rule of law in the future.

The spokesman for the Hong Kong police refused to comment on Tao Siju's remarks on triad society.

Elsie Tu, Legco Security Panel convener, was surprised at Tao Siju's definition of the good and the bad among triad members but appreciated China's position of demanding that triad members confess their past illegal acts, holding that it would be better if China wanted the triads to prove their reform by action. Mrs. Tu believes that Tao Siju's remarks have a positive meaning and will not affect police morale.

Howard Young, a Legco Security Panel member, pointed out that Tao Siju's characterization of the triads fits only those existing a century ago and cannot be applied to those in present-day Hong Kong.

Advocates More Opening

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[Text] Beijing, April 8 (AFP)—China hopes to increase the flow of its nationals into Hong Kong before 1997 to prevent a sudden influx when the territory returns to Chinese rule, Public Security Minister Tao Siju said Thursday.

Beijing was proposing the measure to prevent the creation of "another Berlin Wall," the minister told a news conference.

"In the next few years," he said, "we will open up visits by mainland people to their families (in Hong Kong) or as tourists for short stays. Naturally, because there is a demand for labor and professionally trained people in Hong Kong, these people might also take up short-term jobs."

But he said the authorities would continue to control emigration to Hong Kong strictly.

Beijing was already discussing the issue with Hong Kong immigration officials in a bid to prevent chaos in 1997, when the British colony reverts to Chinese sovereignty.

"We feel the desire of the people on the mainland to visit Hong Kong is quite legitimate and also justifiable," the minister said.

"The vital point is we must start to address this issue before 1997," he said. "Otherwise when 1997 arrives, many people will want to visit Hong Kong and then it will be a difficult situation to control."

"But if we open up visits starting from now for family visits or tourism, the desire of these people will be satisfied then the pressure in 1997 will be much smaller."

The minister also said cooperation between Hong Kong and Chinese police was continuing despite the current political row between China and Britain.

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